

Blyth

Housing Needs Assessment (HNA)

June 2023

Quality information

Prepared by	Checked by	Approved by
Olivia Carr Housing Consultant	Paul Avery Principal Housing Consultant	Paul Avery Principal Housing Consultant

Revision History

Revision	Date	Authorized	Position
1. First Draft	May 2023	Olivia Carr	Housing Consultant
2. Internal Review	May 2023	Paul Avery	Principal Housing Consultant
3. Group Review	May 2023	Jo-Anne Garrick	Neighbourhood Plan Consultant
4. Locality Review	June 2023	Madeleine Gohin	Neighbourhood Planning Officer
5. Final Report	June 2023	Olivia Carr	Housing Consultant

Prepared for: Blyth Town Council

Prepared by:

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

© 2023 AECOM Infrastructure & Environment UK Limited. All Rights Reserved.

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

Table of Contents

1. Executive Summary.....	6
2. Context.....	14
Local context.....	14
The NA boundary and key statistics.....	14
The housing market area context.....	15
Planning policy context.....	16
Quantity of housing to provide.....	17
3. Objectives and approach.....	18
Objectives.....	18
Affordability and Affordable Housing.....	18
Type and Size.....	18
Specialist Housing for Older People.....	19
Houses in Multiple Occupation.....	19
Approach.....	19
4. Affordability and Affordable Housing.....	21
Introduction.....	21
Definitions.....	21
Current tenure profile.....	22
Affordability.....	23
House prices.....	23
Income.....	24
Affordability Thresholds.....	25
Estimates of the need for Affordable Housing.....	30
Evidence in the SHMA.....	30
AECOM Estimates.....	30
Additional evidence of Affordable Housing needs.....	32
Affordable Housing policies in Neighbourhood Plans.....	32
Application of Local Plan policies.....	32
Affordable Housing at Neighbourhood level.....	33
Conclusions- Tenure and Affordability.....	34
5. Type and Size.....	38
Introduction.....	38
Definitions.....	38
The current housing mix.....	39
Dwelling type.....	39
Dwelling size.....	40
Population characteristics.....	41
Age.....	41
Household composition and occupancy.....	42
Future population and size needs.....	45
Age.....	45
Tenure.....	47
Type.....	48
Conclusions- Type and Size.....	48
6. Specialist housing for older people.....	51

Introduction	51
Definitions	52
Specialist housing for older people.....	52
Demographic characteristics	53
Future needs for specialist accommodation and adaptations.....	54
Further considerations.....	55
Care homes.....	56
The Role of Mainstream Housing	57
Conclusions- Specialist Housing for Older People	58
7. Houses in Multiple Occupation	61
What are HMOs?.....	61
Scale of HMOs in Blyth	62
Potential impacts of HMOs.....	63
Conclusions – Houses in Multiple Occupation	65
8. Next Steps	67
Recommendations for next steps	67
Appendix A : Assessment geography	68
Appendix B : Local Plan context.....	69
Policies in the adopted local plan	69
Appendix C : Affordability calculations.....	73
C.1 Market housing.....	73
i) Market sales	73
ii) Private Rented Sector (PRS).....	74
C.2 Affordable Housing	75
i) Social rent.....	75
ii) Affordable rent.....	75
iii) Affordable home ownership.....	76
Appendix D : Affordable Housing need and policy.....	80
Affordable Housing estimates.....	80
Affordable housing policy	83
Appendix E : Specialist housing for older people	87
Background data tables.....	87
HLIN calculations	89
Appendix F : Housing Needs Assessment Glossary	91

List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HMO	House in Multiple Occupation
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LA	Local Authority
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
LSOA	Lower Layer Super Output Area
MSOA	Middle Layer Super Output Area
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OA	Output Area
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1. Blyth is a Neighbourhood Area (NA) located in the local authority of Northumberland. The NA boundary covers the areas administered by Blyth Town Council.
2. The 2021 Census recorded 39,724 individuals in Blyth, indicating an increase of 2,385 people since the 2011 Census.
3. There has been significant development in Blyth in recent years. Northumberland County Council has provided data showing that 2,286 net new homes have been built between 2011/12 and 2021/22. It is not known what proportion of these were delivered as Affordable Housing. Census 2021 notes 18,973 dwellings in the NA at this time, an increase of 2,013 since 2011. As of 31st March 2022, outstanding commitments (dwellings on sites with planning permission) totalled 684 homes.
4. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Town Council at the outset of the research.
5. Data from the 2021 Census is being released throughout 2023. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections where necessary to build up evidence at the neighbourhood level.

Conclusions- Tenure and Affordability

Current tenure profile

6. In 2021 a smaller proportion of households in Blyth owned their own home than in Northumberland and England. The proportion of households living in social rented dwellings was well above local authority and national levels. However, the proportion of households living in shared ownership dwellings was below the comparator areas. The proportion of households both in Blyth and Northumberland private renting was below national levels.

Affordability

7. Between 2013 and 2022 house prices in Blyth remained relatively stable, with an overall modest increase over the decade. The median house price increased by 15.2% in this time, peaking in 2021 at £129,500. The 2022 median house price was £121,000. The lower quartile house price grew more rapidly, with 20.8% growth between 2013 and 2022, peaking in 2022 at £87,000.
8. The median house price for Northumberland as a whole in 2022 was £170,000, with a lower quartile price of £107,000. This shows that the prices across the local authority area as a whole were above the Blyth averages in the same year.

9. Local households on average incomes are able to access both median and entry-level market homes. Households with two lower quartile earners can afford entry-level market homes. Private renting is generally only affordable to average earners and households with two lower quartile earners. Entry-level market housing for sale may be considered more affordable than market rents, although deposits rather than income are likely main barrier to home ownership in Blyth.
10. Looking at affordable home ownership products, it is recommended that First Homes are delivered at a 30% discount in Blyth, making the product accessible to households on mean incomes and households with two lower quartile earners. It is not suggested that any further discount is applied as this may create challenges with viability. Shared ownership appears to be slightly more affordable than First Homes, with shared ownership at 10% equity affordable to households with one lower quartile earner. Rent to Buy may offer a useful product to meet the needs of households without the savings for a deposit.
11. Affordable rented housing is generally affordable to households with two lower earners. However, households with a single lower earner appear only able to afford social rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.

The need for Affordable Housing

12. AECOM estimates that the need for affordable rented homes in Blyth would be met over the plan period, with a potential surplus of 53.3 units per annum. This result may initially be surprising since there is understood to be a current backlog of need. The reason for the affordable rented housing need being met over the long-term is that model assumes a rate of turnover in the existing stock. Because of the size of the existing stock, this is able to satisfy the projected newly arising need as well as some of the backlog, which is effectively spread out over the neighbourhood plan period to produce an annualised figure.
13. An important caveat to this finding is that the NA may be meeting wider needs within the local authority area, especially due to its place within the settlement hierarchy. As such, whilst it may be possible to address localised needs through the existing stock, new affordable rented housing may be required to continue to provide homes for households in acute need living elsewhere in the wider area (e.g. in the more rural hinterland where Affordable Housing development may be limited).
14. In addition, Northumberland County Council provided information showing that between October 2021 and October 2022 there were 402 social/affordable rented properties advertised in Blyth, receiving 25,668 bids, an average of 63 bids per property. This shows that despite the surplus identified above over the plan period, there is a clear current demand, suggesting that there should be some delivery of this tenure early in the plan period.
15. AECOM estimates potential demand for 105.4 affordable home ownership dwellings per annum in Blyth, equating to a total of 1,369.9 over the Neighbourhood Plan period.

Affordable Housing policy

16. AECOM suggests an indicative mix of Affordable Housing of 33% rented to 67% ownership, following the mix set out in the Local Plan for medium value areas. When looking at affordable home ownership tenures, it is recommended that 25% of Affordable Housing is delivered as First Homes, at a 30% discount. In the interests of diversity and maximising choice, a further 30% is allocated to shared ownership, with 12% allocated as Rent to Buy in order to provide options for households with little or no savings for a deposit.
17. The expected level of delivery does not meet the quantity of demand identified for affordable home ownership products in Blyth. It is recommended that the policy requirement is met wherever possible, and that further avenues for delivering greater quantities of Affordable Housing are explored if desired by the Town Council.
18. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites, or developing community land trusts are all ways of boosting the supply of affordable housing.

Conclusions- Type and Size

The current housing mix

19. In 2021 the greatest proportion of households in Blyth lived in semi-detached dwellings, followed by households living in terraced dwellings, although the proportion of households living in this dwelling type decreased over the decade. A significantly greater proportion of households lived in semi-detached dwellings in Blyth than in Northumberland as a whole or nationally. However, this was the most common dwelling type across all three geographies. When looking at more dense dwelling types, the proportion of households living in terraced dwellings in Blyth was in line with Northumberland but slightly above national levels, with the proportion households living in flats above the wider local authority area. In 2021 7.8% of dwellings in the NA were bungalows, compared to 15.2% across Northumberland and 9.2% nationally. This suggests there is potentially a lack of provision of bungalows in the NA, although the provision of flats may meet level access needs in Blyth.
20. Turning to dwelling sizes, the greatest proportion of households in 2021 lived in mid-sized 3-bedroom dwellings. This was followed by households living in smaller 2-bedroom dwellings. Over the decade the proportion of households living in larger (4+ bedroom) dwellings increased from 11.8% to 15.2% whilst the proportion of households living in all other dwelling sizes decreased. The proportion of households living in smaller 2-bedroom dwellings in 2021 was similar across all of the comparator areas, although the proportion is highest in the NA. The proportion of households living in the smallest dwellings was greater in Blyth than

Northumberland, but below national levels. There was a notably smaller proportion of households living in larger 4+ bedroom dwellings in the NA

Population characteristics

21. Between 2011 and 2021 there was a 6.4% increase in the number of people living in Blyth. In 2021 the greatest proportion of the population in the NA was aged 45-64, followed by those aged 25-44. Although the proportion of households in both of these categories decreased over the decade, the number of people falling into these age brackets increased slightly. There were notable increases among those aged 65+ in Blyth over the decade, indicative of an aging population. There was only a decline in the number of people aged 15-24, perhaps suggesting young adults are leaving the NA.
22. Blyth had a greater proportion of single person households than both Northumberland and England in 2021. This may be in part due to the greater proportion of smaller dwellings and flats available in the NA when compared to the wider local authority area. When looking at family households, there was a slightly smaller proportion in the NA in 2021 than the comparator geographies. However, the NA had the greatest proportion of family households aged 66 and over. Blyth had greater proportion of households with dependent children.
23. Under-occupancy is relatively common in the NA, with 74.4% of households living in a dwelling with at least one extra bedroom based on their household size. This is most common in family households aged 65+ and family households aged under 65 with no children. This is not uncommon but may suggest that that the larger housing is not necessarily being occupied by households with the most family members, but by the households with the most wealth or by older households that have not chosen or been able to move to smaller properties. There is also some over-occupancy in the NA, mainly in families under 65 with dependent children and adult children, at 4.1% and 3.0% over-occupancy respectively.

Future population and size needs

24. Population growth can be expected to be driven by the oldest households, with it projected that households with a household reference person aged 65 and over will increase by 61% between 2011 and 2036. This would mean that households with a household reference person aged 65+ would account for 37.5% of households in 2036 compared to accounting for 25.5% of households in 2011. There is projected to be a decrease in households with a household reference person aged 54 and under during the plan period.
25. AECOM modelling suggests that by the end of the plan period there should be slight decreases in the proportion of 1-bedroom, 2-bedroom, and 3-bedroom dwellings, and an increase in the proportion of larger family homes. In order to reach the recommended mix it is suggested that future housing delivery is focussed on larger dwellings in order to more closely align the mix with patterns across wider Northumberland. It is also suggested that around a quarter of housing is delivered as smaller 2-bedroom dwellings.

26. It should be noted that between 2011 and 2021 the proportion of households living in 4+ bedroom dwellings increased significantly, indicating that there has been significant development of larger dwellings over the decade, potentially combined with the extension of smaller or mid-sized dwellings. The Town Council may therefore wish to deviate from the suggested mix, decreasing the proportion of larger sized development.
27. The delivery of 2-bedroom or 3-bedroom dwellings in the NA may encourage older under-occupying households to downsize, freeing up larger dwellings for growing families and reducing the requirement for the delivery of 4+ bedroom dwellings.
28. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

Conclusions- Specialist Housing for Older People

29. At the time of writing this report there were 389 units of specialist accommodation for older people in the NA. All of these are available for social rent for those in financial need. There may therefore be a gap in the market for specialist housing for older people who would be ineligible for social rented provision. In addition there were 429 care home beds.
30. 2021 Census data suggests that at this time there were 3,272 individuals aged 75 and over in the NA. It is projected by the end of the plan period that this will increase to 5,117, with the 75+ population accounting for 12.3% of the population by 2036.

Speciality housing for older people

31. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
32. These two methods of estimating the future need in Blyth produce a range of 463 to 789 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
33. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-3, the majority of the need, at 69.1%, is identified for specialist market housing. Slightly more need is identified for extra-care housing, at 50.7% of need, compared to 49.3% of the need identified for sheltered housing. The greatest sub-category of need however was for market

sheltered housing, at 37.0% of specialist housing need for older persons. It should be noted that some of this need may be able to be met through at home adaptations or ensuring that future development meets adaptability and accessibility standards.

34. It is important for specialist housing for older people to be provided in sustainable, accessible locations, with cost-effectiveness and economies of scale also important factors to consider. It is considered that Blyth is a suitable location for specialist accommodation. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

Care homes

35. Care home accommodation is defined as institutional accommodation rather than housing. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on this rate and the expected increase of 1,845 individuals aged 75+ between 2021 and 2036, it is estimated that in 2036 there would be a need for 120 additional care home beds in the NA compared to 2021. Some of the need for care home beds might be met by independent housing accommodation and vice versa. In addition, some of this need may be met through the turnover of the existing 429 care home beds in the NA.

Adaptable and accessible housing

36. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
37. The Local Plan outlines targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)). It states that 20% of new market housing and 50% of new Affordable Housing will be required to meet or exceed M4(2). It does not set requirements for housing suitable for wheelchair users (Category M4(3)). The evidence presented in the HNA may justify the Town Council approaching the LPA to discuss setting further requirements on accessibility and adaptability. However, Northumberland Council note that as the Local Plan has only recently been adopted there is little likelihood of the policy situation changing within the next 5 years at least (although if the Government's proposed mandating of M4(2) discussed above takes place then this would supersede the Policy HOU11 requirement).

Conclusions – Houses in Multiple Occupation

Stock of HMOs

38. 2021 Census data records the number of HMOs at local authority level. It shows that across Northumberland in 2021 there were 39 HMOs (0.03% of all dwellings).

Of these, 33 are small HMOs and 6 are large HMOs, showing that there are clearly smaller unlicensed dwellings in the local authority area. AECOM are also aware, based on other research, that the Census information on HMOs is likely to be an under-estimate.

39. An alternative source of information on HMOs locally is the Northumberland County Council Public Register, which shows licensed HMOs across the local authority area. The Public Register shows 34 licensed HMOs across Northumberland, considerably more than the 6 'large HMOs' noted by the Census. Of the 34 licensed HMOs in Northumberland, 14 of these had addresses in Blyth. This would mean that approximately 0.2% of dwellings in Blyth are licensed HMOs.
40. It is not possible to estimate the number of smaller HMOs that are unlicensed in Blyth and so the Town Council or Northumberland County Council may wish to undertake further research on this topic through household surveys, either at a neighbourhood or local authority scale.

Potential impacts of HMOs

41. Students and young professionals sometimes make a financially driven choice to live in shared housing, often with people they already know, leading to a greater sense of community. The impacts of these HMOs can differ from those housing individuals on low incomes with few other housing choices (e.g. due to local housing allowance rates only covering room rates for under 35s), including individuals referred from the local authority or linked services (e.g. homelessness, probation, addiction services, refugee charities).
42. There are a variety of potential impacts associated with high concentrations of HMOs and their prevalence in some coastal areas especially. Generally framed as negative, these impacts can relate both to the residents of HMOs and to the wider community. These may include noise and anti-social behaviour, issues with the general streetscape (e.g. vandalism, litter, parking issues), pressure on services (e.g. social care), and reduced community cohesion due to higher population churn than in the mainstream private rented sector.
43. However, HMOs can provide an essential role in the private rented sector for households with limited housing options. They tend to provide a cheaper alternative to traditional private renting, especially for households unable to access social or affordable rented housing through the local authority or an RP.

HMO management

44. There are likely limited management options available to the Town Council through managing HMOs in Blyth via the Neighbourhood Plan. However, the full Chapter outlines the options available to Northumberland County Council. The evidence in this HNA may go some way to influencing local authority level policies or management options although additional evidence is likely required.
45. Although the Town Council may be in favour of increasing planning controls in relation to HMOs in Blyth, it should also be considered that introducing too strict a

control approach could further limit the housing options for people that already have very few choices in the market.

2. Context

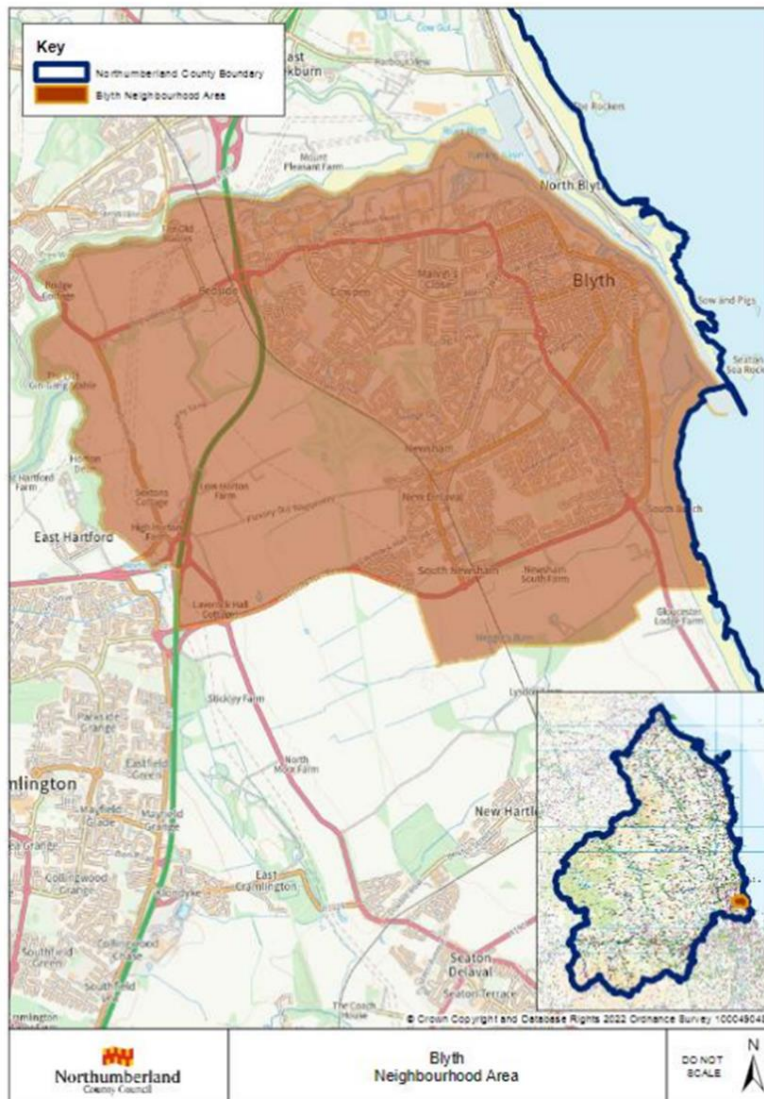
Local context

46. Blyth is a Neighbourhood Area (NA) located in the local authority of Northumberland in North East England. The NA boundary aligns with the parish boundary and was designated in April 2022.
47. The Neighbourhood Plan is envisaged to start in 2023 and extend to 2036, therefore covering a period of 13 years. The evidence supplied in this report will look forward to the Plan end date of 2036, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
48. Blyth NA is located on the north east coast of England. It is the most densely populated town in the county, located approximately 14 miles north of Newcastle upon Tyne. Whilst a new train station in Blyth is proposed (due to open in 2024) on the Northumberland train line, the closest station is currently Cramlington, c. 6 miles south west of Blyth. This provides connection to settlements including Newcastle, Morpeth, and Carlisle. There are numerous amenities in the NA, including supermarkets, a community hospital, tourist accommodation, restaurants, and primary and secondary schools.

The NA boundary and key statistics

49. For Census purposes, the NA is made up, like the rest of England, of statistical units called Output Areas (OAs). A breakdown of the OAs relevant to Blyth is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Blyth Neighbourhood Area



Source: Northumberland County Council¹

50. At the time of the 2011 Census the NA was home to 37,339 residents, formed into 16,381 households and occupying 16,960 dwellings. The 2021 Census indicates population growth of around 2,385 individuals (or 6.4%) since 2011², recording a total of 39,724 residents and 17,979 households. The average household size fell slightly.

51. 2021 Census data indicates that there were 18,973 dwellings in the NA at this time, an increase of 2,013 since 2011. This is slightly higher than the increase in households (+1,598) over the same time period.

The housing market area context

52. Whilst this HNA focuses on Blyth NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas (HMAs). Housing

¹ Available at <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Allendale-neighbourhood-area-decision-document.pdf>

² It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.

market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.

53. In the case of Blyth, the NA sits within the self-contained housing market area of Northumberland. This means that when households who live in this authority move home, the vast majority move within this geography. The 2015 Strategic Housing Market Assessment (SHMA) identifies 4 sub market areas (Central, North, South East, and West). The wards which make up Blyth fell into the South East local HMA. The 2018 update of the SHMA identifies the NA as being within the Tyneside Commuter Belt South East housing market sub-area which aligns with the Local Plan's South East Delivery Area. Despite being a self-contained HMA, Northumberland also has links to other neighbouring areas, including North Tyneside, Newcastle, Gateshead, Durham, Cumbria, and the Scottish Borders.
54. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Blyth are closely linked to other areas. In the case of Blyth, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.
55. In summary, Blyth functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Northumberland), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

56. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies. In the case of Northumberland, the relevant adopted Local Plan consists of the Northumberland Local Plan 2016-2036 , adopted in March 2022. This sets out how and where land is to be developed in Northumberland in relation to new homes, places of employment, services, and facilities. Given it's recent adoption, there is currently no timetable for formally reviewing the Local Plan for Northumberland.
57. A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the adopted Local Plan:
 - Adopted Local Plan Policy HOU2 identifies an overall housing target of 17,700 net additional homes over the plan period 2016-2036;

- In Policy STP1 Blyth is designated as a Main Town, which will be the main focus for employment, housing, retail, and services;
- Policy HOU6 states that 10% of all new dwellings in the low value area (majority of NA) and 15% of new dwellings in the medium value area (south east of NA) are expected to be delivered as Affordable Housing (see map in Table B-1) on sites larger than 30 homes. The suggested tenure mix within Affordable Housing in the low value area is 100% affordable home ownership whilst in the medium value area it is 33% affordable rent to 67% affordable home ownership;
- Policy HOU11 sets out an expectation that 20% of new market homes and 50% of new affordable homes will be built to Category M4(2) accessibility standards.

Quantity of housing to provide

58. The NPPF 2021 (paragraphs 66 and 67) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
59. Northumberland County Council has fulfilled that requirement by providing Blyth with an indicative figure of 1,800 dwellings to be accommodated within the NA by the end of the Plan period, as outlined in the adopted Local Plan. This is a minimum figure and relates to the Local Plan's period, not the shorter proposed plan period for the Neighbourhood Plan. A total of 1,311 net additional dwellings had already been delivered in Blyth during the first 6 years of the plan period (2016-2022), with there being outstanding planning permissions for a further 684 dwellings as at 31st March 2022. Additionally, the Local Plan allocates 3 sites in Blyth that would provide for approximately 85 – 95 further dwellings.
60. Based on completions and upcoming commitments, the housing requirement would be met in Blyth.

3. Objectives and approach

Objectives

61. This Housing Needs Assessment (HNA) is structured according to a number of themes or topics that were agreed at the outset of the research with the Town Council. These themes are broadly aligned with the kinds of housing policy areas available to neighbourhood plans, and each will form a distinct chapter of this report. The sub-sections below give a brief overview of the objectives of each chapter.

Affordability and Affordable Housing

62. Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

63. This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

64. The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must be in general conformity with these strategic policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

Type and Size

65. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.

66. The focus of this chapter is to identify relevant trends and potential gaps in the market that can be used to justify planning policies. It has three aims, each given its own sub-section:

- To establish what **mix** of housing exists in the NA at present;
- To describe relevant characteristics of the local **population**; and
- To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.

67. In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

Specialist Housing for Older People

68. It may be appropriate for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons.

69. This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

70. This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

Houses in Multiple Occupation

71. This chapter considers the potential scale of HMOs in the NA. The approach is as follows:

- To estimate the **current level** of HMOs in Blyth;
- To discuss the **potential impacts** of HMOs on the housing market; and
- To discuss the potential **policy options** relating to HMOs at local authority level.

Approach

72. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:

- ONS population and household projections for future years;

- ONS population age estimates for parishes (as 2021 Census data does not yet include age profile at small scales);
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Home.co.uk;
- Local Authority housing waiting list data;
- Northumberland Strategic Housing Market Assessment (SHMA), 2015³; and
- Northumberland Partial SHMA Update, 2018⁴.

73. Data from the 2021 Census continues to be released throughout 2023. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.

³ Available at <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Studies%20and%20Evidence%20Reports/Housing%20Studies/2.%20SHMA/Strategic-Housing-Market-Assessment-2015.pdf>

⁴ Available at <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Studies%20and%20Evidence%20Reports/Housing%20Studies/2.%20SHMA/NCC-SHMA-June-2018.pdf>

4. Affordability and Affordable Housing

Introduction

74. Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.
75. This chapter has three aims, each given its own sub-section:
- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
 - To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
 - To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.
76. The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must conform with these policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

Definitions

77. This section uses a range of technical terms which are useful to define at the outset:
- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
 - **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
 - The definition of **Affordable Housing** is set out in the NPPF 2021 (Annex 2) as 'Housing for sale or rent, for those whose needs are not met by the market...' We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
 - A range of affordable home ownership opportunities are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. As part of this, the Government has introduced a

new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.⁵

- **First Homes** is a new product and expected to be an important part of the strategy for improving access to home ownership. Its key features are explained in greater detail in Appendix C.

Current tenure profile

78. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.

79. Table 4-1 presents data on tenure in Blyth compared with Northumberland and England from the 2021 Census. It shows that in 2021 a smaller proportion of households in Blyth owned their own home than Northumberland and England. The proportion of households living in social rented dwellings was well above local authority and national levels, at 25.1% compared with 17.8%, and 17.1% respectively. Although this Affordable Housing tenure was relatively common in 2021, the proportion of households living in shared ownership dwellings was below the comparator areas. The proportion of households both in Blyth and Northumberland private renting was below national levels.

Table 4-1: Tenure (households) in Blyth and comparator geographies, 2021

Tenure	Blyth	Northumberland	England
Owned	58.5%	65.2%	61.3%
Shared ownership	0.4%	0.5%	1.0%
Social rented	25.1%	17.8%	17.1%
Private rented	16.0%	16.5%	20.6%

Sources: Census 2021, AECOM Calculations

80. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). This shows that the number of households living in shared ownership dwellings in Blyth more than doubled between 2011 and 2021. There was also a significant increase in the number of households private renting, with smaller increases in the number of owner occupiers and households living in social rented dwellings.

⁵ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

Table 4-2: Tenure change (households) in Blyth, 2011-2021

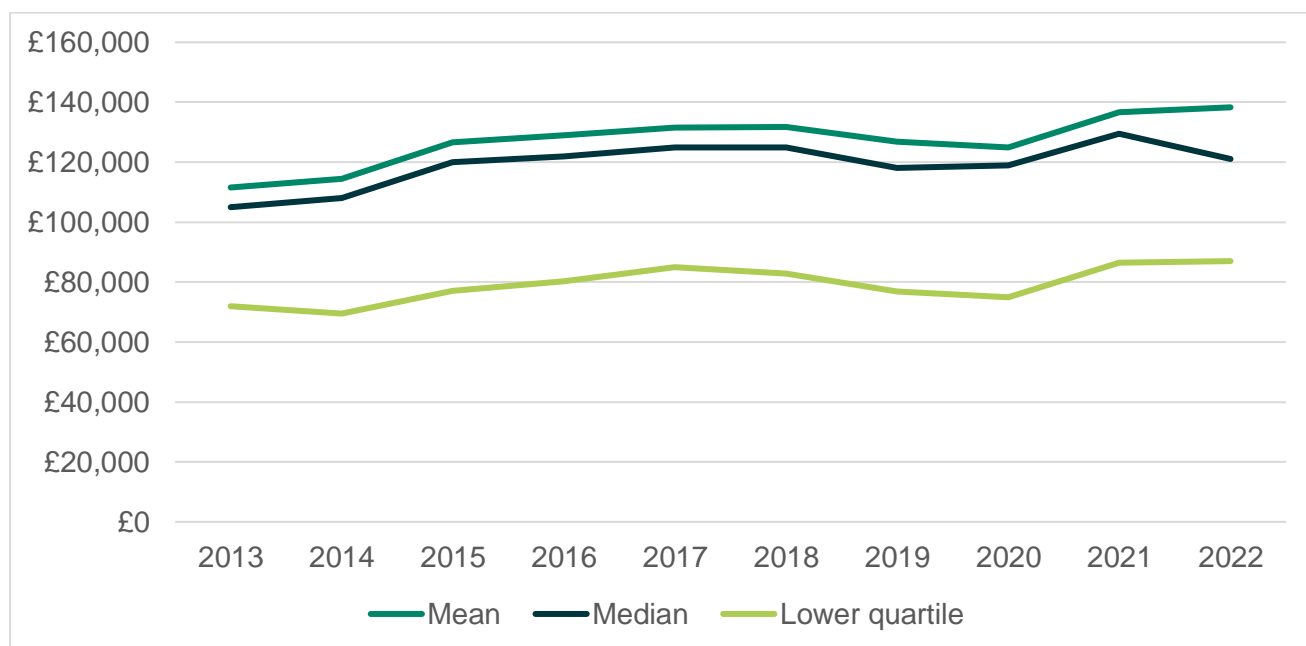
Tenure	2011	2021	% change
Owned	9,727	10,509	+8.0%
Shared ownership	38	79	+107.9%
Social rented	4,396	4,512	+2.6%
Private rented	2,011	2,879	+43.2%

Sources: Census 2021 and 2011, AECOM Calculations

Affordability

House prices

81. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
82. Figure 4-1 looks at the average and lower quartile house prices in Blyth based on sales price data published by the Land Registry. It shows that house prices have remained relatively stable over the decade, with an overall increase between 2013 and 2022. Median house prices (the middle number when the data is sorted from smallest to largest) increased by 15.2% in this time, peaking in 2021 at £129,500. The 2022 median house price was £121,000.
83. The lower quartile house price (middle figure of the lowest 50% of prices and a good representation of entry-level housing) grew more rapidly, at 20.8% growth between 2013 and 2022, peaking in 2022 at £87,000.
84. The median house price for Northumberland as a whole in 2022 was £170,000, with a lower quartile price of £107,000. This shows that the prices across the local authority area as a whole were above the Blyth house prices in the same year, indicating that the NA is a lower value area.

Figure 4-1: House prices by quartile in Blyth, 2013-2022

Source: Land Registry PPD

85. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that between 2013 and 2022 detached house prices experienced the greatest increase, at 36.0% growth. Detached house prices also remain the highest of all the house types. Terraced house prices experienced the smallest growth, with a 15.8% increase in prices over the decade. There was some minor year-on-year fluctuation in house prices, which is not uncommon, with the annual averages by type derived from a smaller sample size within each category, meaning that characteristics such as the size, location, and condition of dwelling will also have an impact on prices.

Table 4-3: Median house prices by type in Blyth, 2013-2022

Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Growth
Detached	£176,500	£182,000	£190,000	£197,995	£199,995	£199,950	£210,500	£204,950	£215,000	£240,000	36.0%
Semi-detached	£105,000	£110,000	£120,000	£120,000	£122,500	£123,000	£122,500	£126,000	£135,000	£132,250	26.0%
Terraced	£92,375	£87,750	£90,000	£100,000	£98,500	£97,500	£95,000	£90,000	£101,500	£107,000	15.8%
Flats	£56,000	£48,850	£53,500	£60,000	£58,200	£56,498	£50,000	£45,000	£60,000	£69,000	23.2%
All Types	£105,000	£108,000	£120,000	£122,000	£124,950	£125,000	£117,995	£119,000	£129,500	£121,000	15.2%

Source: Land Registry PPD

Income

86. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.

87. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally

was £33,660 in 2018 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.

88. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Northumberland's gross individual lower quartile annual earnings were £15,005 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £30,010.
89. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

90. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
91. AECOM has determined thresholds for the income required in Blyth to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
92. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.
93. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £33,660	Affordable on LQ earnings (single earner)? £15,005	Affordable on LQ earnings (2 earners)? £30,010
Market Housing						
Median House Price	£108,900	-	£31,114	Yes	No	No
NA New Build Entry-Level House Price	£131,355	-	£37,530	No	No	No
LQ/Entry-level House Price	£78,300	-	£22,371	Yes	No	Yes
LA New Build Median House Price	£274,046	-	£78,299	No	No	No
Average Market Rent	-	£7,104	£23,680	Yes	No	Yes
Entry-level Market Rent	-	£6,228	£20,760	Yes	No	Yes
Affordable Home Ownership						
First Homes (-30%)	£91,949	-	£26,271	Yes	No	Yes
First Homes (-40%)	£78,813	-	£22,518	Yes	No	Yes
First Homes (-50%)	£65,678	-	£18,765	Yes	No	Yes
Shared Ownership (50%)	£65,678	£1,824	£24,846	Yes	No	Yes
Shared Ownership (25%)	£32,839	£2,737	£18,504	Yes	No	Yes
Shared Ownership (10%)	£13,136	£3,284	£14,699	Yes	Yes	Yes
Affordable Rented Housing						
Affordable Rent	-	£5,007	£16,672	Yes	No	Yes
Social Rent	-	£3,962	£13,195	Yes	Yes	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

95. Thinking about housing for purchase on the open market, it appears that local households on average incomes are able to access both median and entry-level homes. Households with two lower quartile earners can afford entry-level market homes.

96. Private renting is generally only affordable to average earners and households with two lower quartile earners. Entry-level market housing for sale may be considered more affordable than market rents, although deposits rather than income are likely main barrier to home ownership in Blyth.

97. Households made up of one lower quartile earner cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

98. There is a relatively narrow group of households in Blyth who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £20,760 per year (at which point entry-level rents become affordable) and £22,371 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership. In addition, affordable home ownership products will help to make home ownership more accessible to households with few savings for a deposit.
99. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
100. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It is recommended that First Homes are delivered at a 30% discount in Blyth, making the product accessible to households on mean incomes and households with two lower quartile earners. It is not suggested that any further discount is applied as this may provide challenges with viability, as discussed further in Appendix C.
101. It should be noted that First Homes at a 30% discount appear to be less affordable than existing entry-level market housing in the NA, in part due to First Homes prices being based on discounted values of new build entry-level housing (with new build housing usually having a premium attached). First Homes at a 30% discount are more affordable than median market housing and new build entry-level market housing.
102. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. It is advised that the Town Council discussions intended discount levels with the LPA.
103. Shared ownership appears to be slightly more affordable than First Homes, with shared ownership at 10% equity affordable to households with one lower quartile earner. Government has recently announced that the minimum equity share for

shared ownership will fall to 10% of the property value.⁶ If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

104. Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership quite significantly, including to households on mean incomes and with two lower quartile earners. However, discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, greater than entry-level market housing for purchase. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.
105. These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:
- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
 - Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

⁶ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

Affordable rented housing

106. Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market levels. This appears to be the case in Blyth.
107. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear only able to afford social rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.
108. HMOs may also provide a place in the market for single people unable to afford to rent in Blyth, with single individuals aged under 35 generally eligible for shared accommodation local housing allowance rate, covering the cost of renting a room in a shared house.
109. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Blyth as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Estimates of the need for Affordable Housing

110. This sub-section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. However, it should also be noted that there may be some overlaps between households on the Housing Register for affordable rented housing taking up affordable home ownership properties, especially in low value areas.
111. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

Evidence in the SHMA

112. A SHMA was undertaken for Northumberland in 2015 and updated in 2018. The 2018 study estimates the need for affordable housing in the local authority area based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time.
113. The SHMA identifies the need for 151 net additional affordable homes in Northumberland as a whole per annum. This need is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents. A small proportion of these households may be able to afford shared ownership because in some cases it is more affordable than market rents, especially when available at a share of 25%.
114. When the SHMA figures are pro-rated to Blyth based on its fair share of the population (12.4% of the local authority's population (2021 Census)), this equates to 18.7 homes per annum or 243.1 homes over the Neighbourhood Plan period 2023-2036.
115. As the SHMA is relatively dated AECOM has undertaken calculations below for the estimated need for Affordable Housing in Blyth.

AECOM Estimates

116. AECOM estimates that the need for affordable rented homes in Blyth would be met over the plan period, with a potential surplus of 53.3 units per annum, equating to a total surplus of 693.3 over the plan period. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5 below.
117. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 631 households – see subsequent section). The reason for the affordable rented housing need being met over the long-term is that model assumes a rate of turnover in the existing stock: of the affordable rented accommodation existing currently, it can be expected that some will come vacant in any given year as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change. Because of the size of the existing stock (with 25.1% of households living in social rented housing compared to 17.8% across Northumberland), this is able to satisfy the projected newly arising

need as well as some of the backlog, which is effectively spread out over the neighbourhood plan period to produce an annualised figure.

118. An important caveat to this finding is that the NA may be meeting wider needs within the local authority area, especially due to its place within the settlement hierarchy. As such, whilst it may be possible to address localised needs through the existing stock, new affordable rented housing may be required to continue to provide homes for households in acute need living elsewhere in the wider area (e.g. in the more rural hinterland where Affordable Housing development may be limited). It should be noted that according to Northumberland County Council there are currently 302 properties being advertised for social/affordable rent in Blyth which have not yet been allocated to households. These may go some way to meeting the backlog identified on the Housing Register.
119. A further caveat worth emphasising is that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2-bedrooms while the applicant household might require 4-bedrooms, may be located in an inappropriate location, or be otherwise unsuitable (e.g. for accessibility reasons).
120. As such, it may be appropriate for Blyth to encourage the delivery of some affordable rented housing, with the understanding even if this would meet all of the localised need, it may also help to meet needs from elsewhere in Northumberland. The NA's wider strategic role in the delivery of Affordable Housing should be discussed with the LPA.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	48.5
Newly arising need	33.5
Supply	135.4
Net surplus	53.5

Source: AECOM model summary of estimates. Full estimate included in Appendix D

121. AECOM estimates potential demand for 105.4 affordable home ownership dwellings per annum in Blyth, equating to a total of 1,369.9 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6 below.
122. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Table 4-6: Estimate of need for Affordable Housing for sale in Blyth

Component of need or supply in the AECOM estimate	Per annum
Current need	101.8
Newly arising need	7.5
Supply	4.0
Net shortfall	105.4

Source: AECOM model summary of estimates. Full estimate included in Appendix D

123. Some of the need/demand identified above may be met through the extensive commitments (sites with planning permission) in Blyth. The tenure breakdown of these sites has not been provided to AECOM so it is not possible to comment to the extent upcoming development could meet these needs.

Additional evidence of Affordable Housing needs

124. Housing Register information provided by Northumberland County Council indicates that there are 631 households on the waiting list for social/affordable rented housing from Blyth. Of these households, 44.5% are in need of a 1-bedroom dwelling, 27.7% in need of a 2-bedroom dwelling, 17.3% a 3-bedroom dwelling, and 10.5% a 4-bedroom dwelling.

125. Northumberland County Council also provided information showing that between October 2021 and October 2022 there were 402 social/affordable rented properties advertised in Blyth. These received 25,668 bids, an average of 63 bids per property. This shows that despite the surplus identified above over the plan period, there is a clear current demand for social/affordable housing, suggesting that there should be some delivery of this tenure early in the plan period.

Affordable Housing policies in Neighbourhood Plans

126. This section outlines a common Neighbourhood Plan policy level around the tenure mix of affordable housing, provides a recommendation and summarises relevant considerations.

Application of Local Plan policies

127. Northumberland's adopted policy on this subject HOU6 requires 10% of all new housing to be affordable in the low value area (majority of the NA) and 15% of all new housing to be affordable in the medium value area. It is not known what proportion housing in the last decade was delivered as Affordable Housing and so it is not known if this target is usually met on sites.

128. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be

affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

129. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is specified in the Local Plan. In the low value areas 100% of Affordable Housing should be affordable home ownership dwellings and in the medium value areas 33% should be for affordable rent and 67% affordable home ownership products.

Affordable Housing at Neighbourhood level

130. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Blyth on the basis of identified housing need and a range of other considerations detailed in Appendix D.
131. This indicative mix is chiefly a response to the fact that AECOM estimates for Affordable Housing identify a surplus of social/affordable rented housing and a clear demand for affordable home ownership products. The Local Plan guideline mix in medium value areas of 33% rented to 67% ownership appears to therefore offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally (although it should be noted that in the low value areas of the NA, 100% affordable home ownership is required to comply with national guidelines, although this is not necessarily considered suitable).
132. When looking at affordable home ownership tenures, it is recommended that First Homes are delivered in line with national requirement, at 25% of Affordable Housing delivery. It is suggested that these are delivered at a 30% discount in the NA due to potential challenges relating to viability, discussed further earlier in the Chapter. In the interests of diversity and maximising choice, a further 30% is allocated to shared ownership rather than more First Homes. A further 12% is suggested to be allocated as Rent to Buy in order to provide options for households with little or no savings for a deposit.
133. Where the Town Council wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Northumberland County Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

Table 4-7: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	67%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	30%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	12%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	33%	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current tenure profile

134. In 2021 a smaller proportion of households in Blyth owned their own home than in Northumberland and England. The proportion of households living in social rented dwellings was well above local authority and national levels. However, the proportion of households living in shared ownership dwellings was below the comparator areas. The proportion of households both in Blyth and Northumberland private renting was below national levels.

Affordability

135. Between 2013 and 2022 house prices in Blyth remained relatively stable, with an overall modest increase over the decade. The median house price increased by 15.2% in this time, peaking in 2021 at £129,500. The 2022 median house price was £121,000. The lower quartile house price grew more rapidly, with 20.8% growth between 2013 and 2022, peaking in 2022 at £87,000.

136. The median house price for Northumberland as a whole in 2022 was £170,000, with a lower quartile price of £107,000. This shows that the prices across the local authority area as a whole were above the Blyth averages in the same year.
137. Local households on average incomes are able to access both median and entry-level market homes. Households with two lower quartile earners can afford entry-level market homes. Private renting is generally only affordable to average earners and households with two lower quartile earners. Entry-level market housing for sale may be considered more affordable than market rents, although deposits rather than income are likely main barrier to home ownership in Blyth.
138. Looking at affordable home ownership products, it is recommended that First Homes are delivered at a 30% discount in Blyth, making the product accessible to households on mean incomes and households with two lower quartile earners. It is not suggested that any further discount is applied as this may create challenges with viability. Shared ownership appears to be slightly more affordable than First Homes, with shared ownership at 10% equity affordable to households with one lower quartile earner. Rent to Buy may offer a useful product to meet the needs of households without the savings for a deposit.
139. Affordable rented housing is generally affordable to households with two lower earners. However, households with a single lower earner appear only able to afford social rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.

The need for Affordable Housing

140. AECOM estimates that the need for affordable rented homes in Blyth would be met over the plan period, with a potential surplus of 53.3 units per annum. This result may initially be surprising since there is understood to be a current backlog of need. The reason for the affordable rented housing need being met over the long-term is that model assumes a rate of turnover in the existing stock. Because of the size of the existing stock, this is able to satisfy the projected newly arising need as well as some of the backlog, which is effectively spread out over the neighbourhood plan period to produce an annualised figure.
141. An important caveat to this finding is that the NA may be meeting wider needs within the local authority area, especially due to its place within the settlement hierarchy. As such, whilst it may be possible to address localised needs through the existing stock, new affordable rented housing may be required to continue to provide homes for households in acute need living elsewhere in the wider area (e.g. in the more rural hinterland where Affordable Housing development may be limited).
142. In addition, Northumberland County Council provided information showing that between October 2021 and October 2022 there were 402 social/affordable rented properties advertised in Blyth, receiving 25,668 bids, an average of 63 bids per property. This shows that despite the surplus identified above over the plan period, there is a clear current demand, suggesting that there should be some delivery of this tenure early in the plan period.

143. AECOM estimate potential demand for 105.4 affordable home ownership dwellings per annum in Blyth, equating to a total of 1,369.9 over the Neighbourhood Plan period.

Affordable Housing policy

144. AECOM suggests an indicative mix of Affordable Housing of 33% rented to 67% ownership, following the mix set out in the Local Plan for medium value areas. When looking at affordable home ownership tenures, it is recommended that 25% of Affordable Housing is delivered as First Homes, at a 30% discount. In the interests of diversity and maximising choice, a further 30% is allocated to shared ownership, with 12% allocated as Rent to Buy in order to provide options for households with little or no savings for a deposit.

145. Table 4-8 summarises Blyth's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-8: Estimated delivery of Affordable Housing in Blyth

	Step in Estimation	Expected delivery (low value area)	Expected delivery (medium value area)
A	Outstanding permissions	684	684
B	Affordable housing quota (%) in LPA's Local Plan	10%	15%
C	Potential total Affordable Housing in NA (A x B)	68.4	102.6
D	Rented % (e.g. social/ affordable rented)	33%	33%
E	Rented number (C x D)	22.6	33.9
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	67%	67%
G	Affordable home ownership number (C x F)	45.8	68.7

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

146. The expected level of delivery does not meet the quantity of demand identified for affordable home ownership products in Blyth. It is recommended that the policy requirement is met wherever possible, and that further avenues for delivering greater quantities of Affordable Housing are explored if desired by the Town Council.
147. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites, or developing community land trusts are all ways of boosting the supply of affordable housing.

5. Type and Size

Introduction

148. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.
149. This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this chapter of the HNA. The evidence gathered here can be used to justify planning policies either on its own or in combination with survey results expressing the specific wants and concerns of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the neighbourhood plan.
150. This chapter has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
 - To describe characteristics of the local **population** that are relevant to housing need; and
 - To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.
151. It is important to keep in mind that housing need is not an exact science. To get from a set of facts about the population to an ideal mix of homes requires making assumptions. For example, there are clear patterns about what size of home families tend to live in at different stages of life. However, a variety of other reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. Some trends can also change rapidly over time, such as the increasing preference for home working.
152. The conclusions and recommendations given here are therefore not definitive. Rather, they are what the statistics suggest future needs will look like based on current trends. This is sufficient for justifying planning policies, but it is also appropriate to take into account other factors and evidence if desired.

Definitions

- **Dwelling type:** whether a home is detached, semi-detached, terraced, a flat, bungalow or other type. Which a household chooses to occupy tends to be more about wealth and preference than a specific need.
- **Dwelling size:** how many rooms or bedrooms a home contains. While this could also mean floor area or number of storeys, the number of bedrooms is most reliably recorded in housing statistics. Bedroom numbers are also closely linked to family size and life stage.
- **Household:** a unit of people who live together, commonly a family, couple or single person. Not all dwellings contain a household, including properties that

are vacant and second homes, so the number of dwellings and the number of households in an area is usually different.

- **Household composition:** the specific combination of adults and children who form a household. The Census offers a number of categories, for example distinguishing between families with children who are dependent or non-dependent (i.e. adults). 'Other' households in the Census include house-sharers, groups of students, and multi-family households.
- **Household life stage:** the age of the lead member of a household – usually the oldest adult, or what used to be called the 'head of household'. Life stage is correlated with dwelling size as well as wealth.
- **Housing mix:** the range of home sizes and types in an area.
- **Over- and under-occupancy:** the degree to which the size and composition of a household lines up with the number of bedrooms in their home. If there are more bedrooms than the household would be expected to need, the home is considered under-occupied, and vice versa.

The current housing mix

153. This section establishes the current housing mix of Blyth, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

154. Table 5-1 below shows that in both 2011 and 2021 the greatest proportion of households lived in semi-detached dwellings, at 43.2% and 43.7% respectively. This is followed by households living in terraced dwellings, although the proportion of households living in this dwelling type decreased over the decade. 14.4% of households lived in flats in 2021 compared to 16.4% living in detached dwellings.

155. Unfortunately Census data counts bungalows within each of the other categories (mainly detached and semi-detached) rather than independently. Valuation Office Agency (VOA) data counts bungalows as their own category. This shows that in 2021 7.8% of dwellings in the NA were bungalows, compared to 15.2% across Northumberland and 9.2% nationally. This suggests there is potentially a lack of provision of bungalows in the NA, although the provision of flats may meet level access needs in Blyth.

Table 5-1: Accommodation type, Blyth, 2011-2021

Type	2011	%	2021	%
Detached	2,235	13.2%	2,955	16.4%
Semi-detached	7,335	43.2%	7,851	43.7%
Terrace	4,772	28.1%	4,577	25.5%
Flat	2,619	15.4%	2,590	14.4%
Total	16,960	-	17,977	-

Source: ONS 2021 and 2011, VOA 2021, AECOM Calculations

156. Table 5-2 compares the NA mix to wider benchmarks. It shows that in 2021 a significantly greater proportion of households lived in semi-detached dwellings in Blyth than in Northumberland as a whole or nationally. However, this was the most common dwelling type across all three geographies. The proportion of households living in detached (often larger and more expensive) dwellings in the NA was well below the levels of the comparator areas. When looking at more dense dwelling types, the proportion of households living in terraced dwellings in Blyth was in line with Northumberland but slightly above national levels, with the proportion of households living in flats above the wider local authority area. It is expected that more urban areas, closer to the Tyneside conurbation, will have more dense dwelling types than rural Northumberland.

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

Type	Blyth	Northumberland	England
Detached	16.4%	27.2%	22.9%
Semi-detached	43.7%	36.1%	31.5%
Terrace	25.5%	25.7%	23.0%
Flat	14.4%	10.7%	22.2%

Source: Census 2021, AECOM Calculations

Dwelling size

157. Table 5-3 below presents the current housing mix in terms of size. It shows that the greatest proportion of households in both 2011 and 2021 lived in mid-sized 3-bedroom dwellings. This was followed in both years by households living in smaller 2-bedroom dwellings, at 29.1% of households in 2021. Over the decade the proportion of households living in larger (4+ bedroom) dwellings increased from 11.8% to 15.2% whilst the proportion of households living in all other dwelling sizes decreased. Although this demonstrates that new development has been focussed on larger dwelling types, it may also suggest that properties in the NA have been extended.

Table 5-3: Dwelling size (bedrooms), Blyth, 2011-2021

Number of bedrooms	2011	%	2021	%
1	1,607	9.8%	1,596	8.9%
2	5,040	30.8%	5,234	29.1%
3	7,803	47.6%	8,408	46.8%
4+	1,931	11.8%	2,738	15.2%
Total	16,381	-	17,976	-

Source: ONS 2021 and 2011, AECOM Calculations

158. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 shows that in 2021, the proportion of households living in 3-bedroom dwellings in Blyth was above local authority and national levels, although this dwelling size was most common across all 3 geographies. The proportion of households living in smaller 2-bedroom dwellings was similar across all of the comparator areas, although the greatest in the NA. The proportion of households living in the

smallest dwellings was greater in Blyth than Northumberland, but below national levels. There was a notably smaller proportion of households living in larger 4+ bedroom dwellings in the NA.

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

Number of bedrooms	Blyth	Northumberland	England
1	8.9%	7.2%	11.6%
2	29.1%	28.1%	27.3%
3	46.8%	42.9%	40.0%
4+	15.2%	21.8%	21.1%

Source: Census 2021, AECOM Calculations

Population characteristics

159. This section examines key characteristics of the local population that have a bearing on what housing might be needed in future years. Where available, recent data is used. However, for some information it is necessary to fall back on the 2011 Census.

Age

160. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. Between 2011 and 2021 there was a 6.4% increase in the number of people living in Blyth. In both 2011 and 2021 the greatest proportion of the population in the NA was aged 45-64, followed by those aged 25-44. Although the proportion of households in both of these categories decreased over the decade, the number of people falling into these age brackets increased slightly. There were notable increases in the proportion of the population and number of people aged 65+ in Blyth between 2011 and 2021, indicative of an aging population. There was only a decline in the number of people aged 15-24, perhaps suggesting young adults are leaving the NA for employment or other reasons.

Table 5-5: Age structure of Blyth, 2011 and 2021

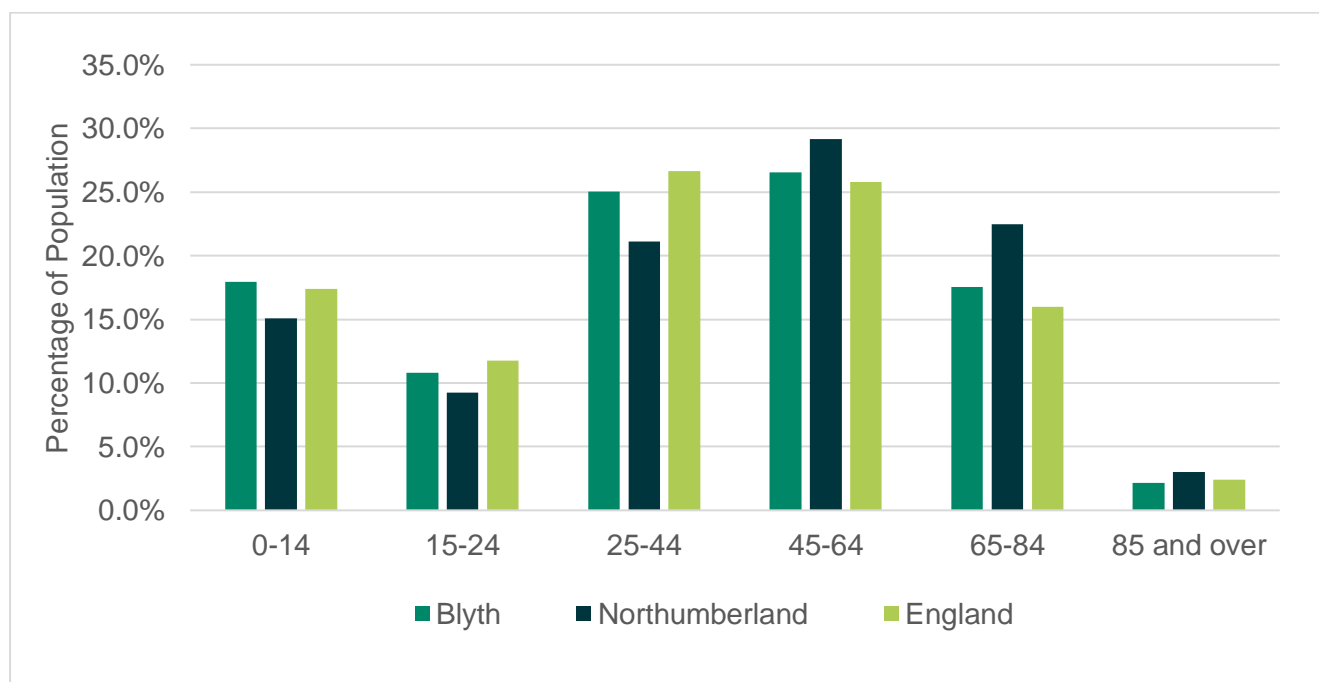
Age group	2011 (Census)		2021 (Census)		Change
0-14	6,742	18.1%	7,126	17.9%	+5.7%
15-24	4,754	12.7%	4,290	10.8%	-9.8%
25-44	9,406	25.2%	9,947	25.0%	+5.8%
45-64	10,363	27.8%	10,536	26.5%	+1.7%
65-84	5,371	14.4%	6,970	17.5%	+29.8%
85 and over	703	1.9%	855	2.2%	+21.6%
Total	37,339	-	39,724	-	+6.4%

Source: ONS 2011, ONS 2021, AECOM Calculations

161. Between 2011 and 2021 there was a 1.4% increase in the population of Northumberland. The growth in the population of Blyth, 6.4% over the same time period, indicates a faster rate of growth than the local authority.

162. For context, it is useful to look at the NA population structure alongside that of the local authority and country. Figure 5-1 (using 2021 Census data) shows that Blyth had a greater proportion of children (aged 0-14) than Northumberland and England, as well as a greater proportion of the population aged 15-44 than the wider local authority area. Whilst the NA had a greater proportion of the population aged 45-84 than nationally, this was below local authority levels. Overall, the NA clearly has a younger skew to the population than the wider local authority area, with a greater proportion of families with dependent children.

Figure 5-1: Age structure in Blyth, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

163. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that Blyth had a greater proportion of single person households than both Northumberland and England. This may be in part due to the greater proportion of smaller dwellings and flats available in the NA when compared to the wider local authority area.

164. When looking at family households, there was a slightly smaller proportion in the NA in 2021 than the comparator geographies. However, the NA had the greatest proportion of family households aged 66 and over. Blyth had a smaller proportion of households than Northumberland with no children, and a greater proportion of households with dependent children (25.5% in Blyth and 22.2% in Northumberland). The proportion of households within non-dependent children (adult children living in the family home) was similar across all 3 geographies.

165. It is interesting to note the changes in household composition between 2011 and 2021. The most notable change in this time was the increase in the number

of households aged 65/66⁷ and over in the NA, increasing by 102.1% in this time compared to 31.4% across Northumberland and 8.4% nationally. This suggests that the NA has aged more rapidly over the last decade (even though Northumberland still has an older skew to the population according to Figure 5-1).

Table 5-6: Household composition, Blyth and comparator geographies, 2021

Household composition		Blyth	Northumberland	England
One person household	Total	34.4%	32.8%	30.1%
	Aged 66 and over	13.6%	15.6%	12.8%
	Other	20.9%	17.2%	17.3%
One family only	Total	62.6%	64.5%	63.1%
	All aged 66 and over	13.6%	12.7%	9.2%
	With no children	17.2%	19.0%	16.8%
	With dependent children	25.5%	22.2%	25.8%
	With non-dependent children ⁸	10.4%	10.1%	10.5%
Other household types	Total	3.0%	2.7%	6.9%

Source: ONS 2021, AECOM Calculations

166. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.

167. Under-occupancy is relatively common in the NA, with 74.4% of households living in a dwelling with at least one extra bedroom based on their household size. This is most common in family households aged 65+ (95.2% under-occupancy) and family households aged under 65 with no children (97.3% under-occupancy). This is not uncommon but may suggest that that the larger housing is not necessarily being occupied by households with the most family members, but by the households with the most wealth or by older households that have not chosen or been able to move to smaller properties.

168. There is also some over-occupancy in the NA, mainly in families under 65 with dependent children and adult children, at 4.1% and 3.0% over-occupancy respectively. Approximately 23.8% of households in Blyth in 2021 lived in a

⁷ The 2011 Census counts households aged 65+ whilst the 2021 Census counts households aged 66+

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

dwellings with the 'correct' number of bedrooms based on the size of the household.

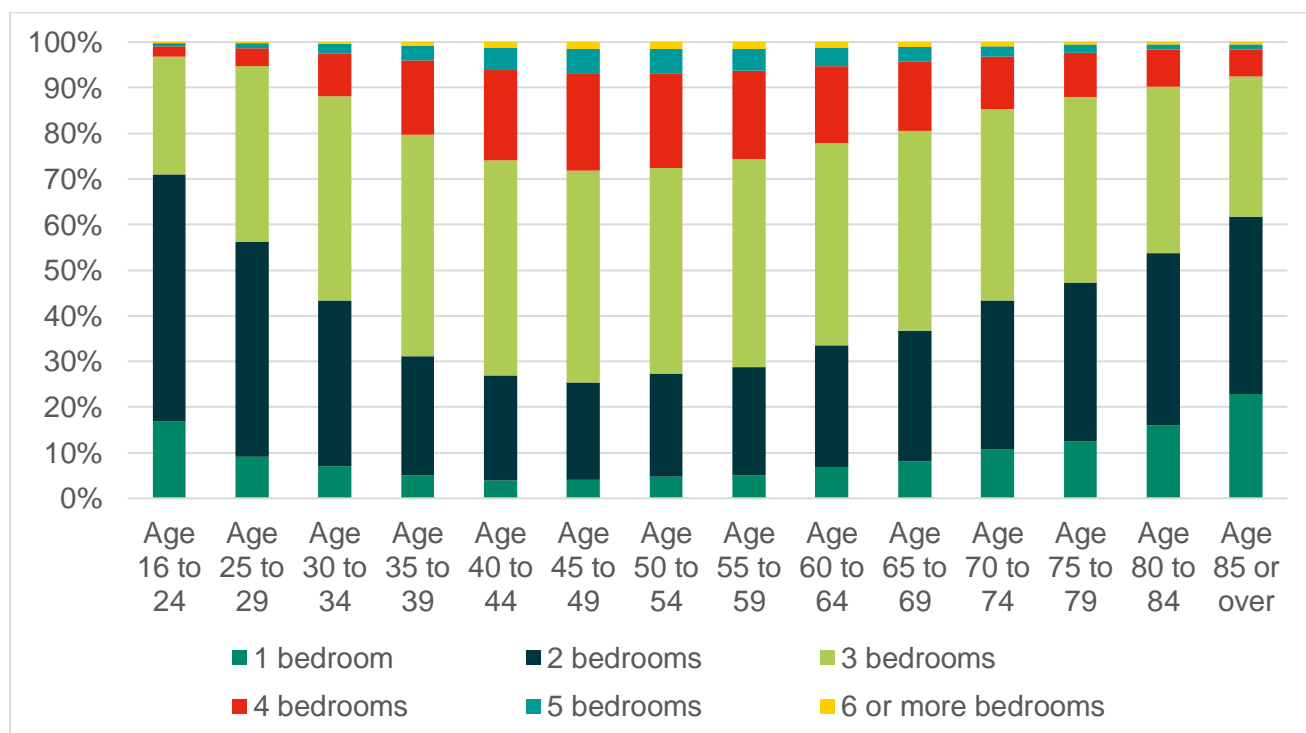
Table 5-7: Occupancy rating by age in Blyth, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	67.3%	27.9%	4.8%	0.1%
Single person 65+	41.3%	36.2%	22.5%	0.0%
Family under 65 - no children	70.5%	26.7%	2.7%	0.0%
Family under 65 - dependent children	13.9%	41.7%	40.2%	4.1%
Family under 65 - adult children	17.4%	49.2%	30.4%	3.0%
Single person under 65	33.4%	43.6%	23.0%	0.0%
All households	36.4%	38.0%	23.8%	1.8%

Source: ONS 2021, AECOM Calculations

169. As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-2 sets out this relationship for Northumberland in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

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



Source: ONS 2011, AECOM Calculations

Future population and size needs

170. This section projects the future age profile of the population in Blyth at the end of the Neighbourhood Plan period and then estimates the mix of dwelling sizes they may need.

Age

171. The result of applying Local Authority level household projections to the age profile of Blyth households in 2011 is shown in Table 5-9. This makes clear that population growth can be expected to be driven by the oldest households, with it projected that households with a household reference person aged 65 and over will increase by 61% between 2011 and 2036. This would mean that households with a household reference person aged 65+ would account for 37.5% of households in 2036 compared to accounting for 25.5% of households in 2011. There is projected to be a decrease in households with a household reference person aged 54 and under during the plan period.

Table 5-9: Projected age of households, Blyth, 2011 - 2036

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	765	2,257	6,147	3,029	4,183
2036	603	2,127	5,462	3,032	6,737
% change 2011-2036	-21%	-6%	-11%	0%	+61%

Source: AECOM Calculations

172. The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-9 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

173. This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.

174. The result of this exercise is presented in Table 5-10. It suggests that by the end of the plan period there should be slight decreases in the proportion of 1-bedroom, 2-bedroom, and 3-bedroom dwellings, and an increase in the proportion of larger family homes. In order to reach the recommended mix it is suggested that future housing delivery is focussed on larger dwellings in order to more closely align the mix with the Northumberland housing mix. It is also suggested that $\frac{1}{4}$ of housing is delivered as smaller 2-bedroom dwellings.

175. It should be noted that between 2011 and 2021 the proportion of households living in 4+ bedroom dwellings increased from 11.8% to 15.2%, indicating that there has been significant development of larger dwellings over the decade, potentially combined with the extension of smaller or mid-sized dwellings. The Town Council may therefore wish to deviate from the suggested mix outlined in Table 5-10, decreasing the proportion of larger sized development.

Table 5-10: Suggested dwelling size mix to 2036, Blyth

Number of bedrooms	Current mix (2011)	Suggested mix (2036)	Balance of new housing to reach suggested mix
1	9.6%	8.7%	0.0%
2	30.8%	30.6%	25.0%
3	47.6%	42.5%	0.0%
4	9.9%	14.0%	49.9%
5+	1.9%	4.2%	25.1%

Source: AECOM Calculations

176. The following points sense-check the results of the model against other evidence and suggest ways to interpret them when thinking about policy options.

- While the provision of Affordable Housing (subsidised tenure products) is one way to combat affordability challenges, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.
- Continuing to provide smaller homes with fewer bedrooms would help to address affordability challenges, although it should be considered whether large numbers of 1-bedroom homes are suitable given that on the open market these are often less desirable than 2-bedroom dwellings.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- The delivery of mid-sized (3-bedroom) dwellings should not necessarily be completely restricted as the modelling suggests because this dwelling type can attract both newly forming households and older households with equity from their existing larger homes looking to downsize. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if the existing stock of larger homes is sufficiently affordable. Therefore, the delivery of 2-bedroom or 3-bedroom dwellings in the NA may encourage older under-occupying households to downsize, freeing up larger dwellings for growing families and reducing the requirement for the delivery of 4+ bedroom dwellings.

Tenure

177. The recommendation discussed immediately above applies to all housing in the NA over the Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.
178. Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
179. There are some key sources of information for thinking through the size needs of different categories. These are:
- The 2018 Northumberland SHMA Update sets out the projected need by size within each tenure over the long-term for the local authority as a whole. In this case, the SHMA indicates, using a blend of aspirations and expectations, that there should be a 41.1% increase in 1-bedroom dwellings, a 65.2% increase in 2-bedroom dwellings, a 3.7% increase in 3-bedroom dwellings, and a 10.0% decrease in 4+ bedroom dwellings. The SHMA has a greater focus on the delivery of 1-3 bedroom dwellings across Northumberland than the AECOM modelling for Blyth. This is likely in part due to Blyth having a greater skew towards smaller and mid-sized dwellings than the wider local authority area, and so AECOM modelling suggests a focus on larger dwellings in the NA to balance the mix. However, the provision of some smaller dwellings is still encouraged, as shown by modelling suggesting $\frac{1}{4}$ of delivery is focussed on 2-bedroom dwellings.
 - The waiting list for affordable rented housing, kept by Northumberland County Council, provides a current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In Blyth the Housing Register information provided by Northumberland County Council shows that 44.5% of the need is identified for 1-bedroom dwellings, 27.7% 2-bedroom dwellings, 17.3% 3-bedroom dwellings, and 10.5% 4-bedroom dwellings (Northumberland County Council note a need in the local authority area for more 4-bedroom affordable rented dwellings). This highlights that the delivery of smaller and mid-sized dwellings, especially smaller social/affordable rented dwellings, should not be entirely restricted in the NA.

180. To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes while market homes focus on mid-sized homes and some larger options. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

181. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.

182. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.

183. The benefits of delivering a certain blend of dwelling types are more closely related to affordability and favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which is particularly relevant in the case of large blocks of flats which are not always a welcome proposition. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.

184. In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the Town Council and community to consider.

Conclusions- Type and Size

The current housing mix

185. In 2021 the greatest proportion of households in Blyth lived in semi-detached dwellings, followed by households living in terraced dwellings, although the proportion of households living in this dwelling type decreased over the decade. A significantly greater proportion of households lived in semi-detached dwellings in Blyth than in Northumberland as a whole or nationally. However,

this was the most common dwelling type across all three geographies. When looking at more dense dwelling types, the proportion of households living in terraced dwellings in Blyth was in line with Northumberland but slightly above national levels, with the proportion of households living in flats above the wider local authority area. In 2021 7.8% of dwellings in the NA were bungalows, compared to 15.2% across Northumberland and 9.2% nationally. This suggests there is potentially a lack of provision of bungalows in the NA, although the provision of flats may meet level access needs in Blyth.

186. Turning to dwelling sizes, the greatest proportion of households in 2021 lived in mid-sized 3-bedroom dwellings. This was followed by households living in smaller 2-bedroom dwellings. Over the decade the proportion of households living in larger (4+ bedroom) dwellings increased from 11.8% to 15.2% whilst the proportion of households living in all other dwelling sizes decreased. The proportion of households living in smaller 2-bedroom dwellings in 2021 was similar across all of the comparator areas, although the proportion is highest in the NA. The proportion of households living in the smallest dwellings was greater in Blyth than Northumberland, but below national levels. There was a notably smaller proportion of households living in larger 4+ bedroom dwellings in the NA

Population characteristics

187. Between 2011 and 2021 there was a 6.4% increase in the number of people living in Blyth. In 2021 the greatest proportion of the population in the NA was aged 45-64, followed by those aged 25-44. Although the proportion of households in both of these categories decreased over the decade, the number of people falling into these age brackets increased slightly. There were notable increases among those aged 65+ in Blyth over the decade, indicative of an aging population. There was only a decline in the number of people aged 15-24, perhaps suggesting young adults are leaving the NA.
188. Blyth had a greater proportion of single person households than both Northumberland and England in 2021. This may be in part due to the greater proportion of smaller dwellings and flats available in the NA when compared to the wider local authority area. When looking at family households, there was a slightly smaller proportion in the NA in 2021 than the comparator geographies. However, the NA had the greatest proportion of family households aged 66 and over. Blyth had greater proportion of households with dependent children.
189. Under-occupancy is relatively common in the NA, with 74.4% of households living in a dwelling with at least one extra bedroom based on their household size. This is most common in family households aged 65+ and family households aged under 65 with no children. This is not uncommon but may suggest that that the larger housing is not necessarily being occupied by households with the most family members, but by the households with the most wealth or by older households that have not chosen or been able to move to smaller properties. There is also some over-occupancy in the NA, mainly in families under 65 with dependent children and adult children, at 4.1% and 3.0% over-occupancy respectively.

Future population and size needs

190. Population growth can be expected to be driven by the oldest households, with it projected that households with a household reference person aged 65 and over will increase by 61% between 2011 and 2036. This would mean that households with a household reference person aged 65+ would account for 37.5% of households in 2036 compared to accounting for 25.5% of households in 2011. There is projected to be a decrease in households with a household reference person aged 54 and under during the plan period.
191. AECOM modelling suggests that by the end of the plan period there should be slight decreases in the proportion of 1-bedroom, 2-bedroom, and 3-bedroom dwellings, and an increase in the proportion of larger family homes. In order to reach the recommended mix it is suggested that future housing delivery is focussed on larger dwellings in order to more closely align the mix with patterns across wider Northumberland. It is also suggested that around a quarter of housing is delivered as smaller 2-bedroom dwellings.
192. It should be noted that between 2011 and 2021 the proportion of households living in 4+ bedroom dwellings increased significantly, indicating that there has been significant development of larger dwellings over the decade, potentially combined with the extension of smaller or mid-sized dwellings. The Town Council may therefore wish to deviate from the suggested mix, decreasing the proportion of larger sized development.
193. The delivery of 2-bedroom or 3-bedroom dwellings in the NA may encourage older under-occupying households to downsize, freeing up larger dwellings for growing families and reducing the requirement for the delivery of 4+ bedroom dwellings.
194. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

6. Specialist housing for older people

Introduction

195. It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Blyth. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

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

197. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.⁹

198. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁰ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

199. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

⁹ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁰ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing¹¹:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

Specialist housing for older people

200. There is a total of 389 units of specialist accommodation in the NA at present, all of which are available for social rent for those in financial need. In addition there are 429 care home beds. Details are provided in Appendix E.

201. Census 2021 suggests that there are currently 3,272 individuals aged 75 or over in Blyth. This suggests that current provision is in the region of 119 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

¹¹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

Demographic characteristics

202. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Blyth is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Northumberland. The results are set out in Table 6-1. It shows that the number of people aged 75+ in Blyth is projected to increase to 5,117 by the end of the plan period, from 3,272 in 2011. This would mean that in 2036 individuals aged 75+ would account for 12.3% of the population, compared to this age group accounting for 16.7% of the population across Northumberland as a whole.
203. A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

Table 6-1: Modelled projection of older population in Blyth by end of Plan period

Age group	2021		2036	
	Blyth	Northumberland	Blyth	Northumberland
All ages	39,724	320,568	41,655	336,147
75+	3,272	35,990	5,117	56,286
%	8.2%	11.2%	12.3%	16.7%

Source: ONS SNPP 2020, AECOM Calculations

204. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
205. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2036. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the majority of households in Northumberland in this age group in 2011 owned their own home, at 75.1% of households. The remaining 24.9% of households rented their home, with the greatest proportion socially renting, at 15.8% of total households.
206. The expected growth in the 75+ population in the NA is 1,845 additional individuals by the end of the plan period. This can be converted into 1,334 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year

olds occupying each tenure gives a breakdown of which tenures Blyth households are likely to need in 2036, and is shown in the bottom row of Table 6-1.

Table 6-2: Tenure of households aged 55-75 in Northumberland (2011) and projected aged 75+ in Blyth (2036)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
Northumberland (2011 mix)	75.1%	53.2%	21.9%	24.9%	15.8%	7.6%	1.5%
Blyth (2036 projection)	1,001	710	292	333	211	102	20

Source: Census 2011

207. It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table E-2 in Appendix E presents this data for Blyth from the 2011 Census.

Future needs for specialist accommodation and adaptations

208. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be 789.

209. AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

210. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-3, the majority of the need, at 69.1%, is identified for specialist market housing. Slightly more need is identified for extra-care housing, at 50.7% of need, compared to 49.3% of the need identified for sheltered housing. The greatest sub-category of need however was for market sheltered housing, at 37.0% of specialist housing need for older persons. It should be noted that some of this need may be able to be

met through at home adaptations or ensuring that future development meets adaptability and accessibility standards.

Table 6-3: AECOM estimate of specialist housing need in Blyth by the end of the Plan period

Type	Affordable	Market	Total
Housing with care	147	253	400
Adaptations, sheltered, or retirement living	97	292	389
Total	244	545	789

Source: Census 2011, AECOM Calculations

211. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table E-3 in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Blyth results in a total of 463 specialist dwellings that might be required to the end of the Plan period. This is set out in Table 6-4.

Table 6-4: HLIN estimate of specialist housing need in Blyth by the end of the Plan period

Type	Affordable	Market	Total
Housing with care	57	74	131
Adaptations, sheltered, or retirement living	111	221	332
Total	168	295	463

Source: Housing LIN, AECOM calculations

Further considerations

212. The above estimates suggest that potential need for specialist accommodation could be in the range of 463-789 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. Therefore, specialist housing for older people should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

213. In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.

214. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from

a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

215. It is considered that Blyth is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Blyth in other suitable locations near to but outside the Plan area boundaries).
216. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

Care homes

217. Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
218. However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
219. Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
220. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. Based on this rate, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2036 there would be an additional need for 120 care homes beds in the NA, although some of this need may be met through the turnover of the existing 429 care home beds.

221. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

The Role of Mainstream Housing

222. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 75% of the Blyth population aged 75 and over is likely to live in the mainstream housing stock¹².

223. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.

224. However, given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Northumberland.

225. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings¹³, although changes to Building Regulations have not yet been made.

226. The current adopted Local Plan policy HOU11 provides explicit encouragement for development to accommodate specific groups such as older people. It also outlines targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)). It states that 20% of new market housing and 50% of new Affordable Housing will be required to meet or exceed M4(2). It does not set requirements for housing suitable for wheelchair users (Category M4(3)).

227. The evidence gathered here may justify the Town Council approaching the LPA to discuss setting further requirements on accessibility and adaptability at local authority level. Northumberland Council note that as the Local Plan has only recently been adopted there is little likelihood of the policy situation changing within the next 5 years at least (although if the Government's proposed mandating of M4(2) discussed above takes place then this would supersede the Policy HOU11 requirement).

¹² 3,272 over 75s in 2021, of which 389 are accommodated in specialist housing and a further 429 in care homes, leaving 2,454 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

¹³ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

228. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.

229. Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Blyth to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for 11-54 wheelchair accessible dwellings over the Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally Applied to Blyth

	Percentage in England	% applied to NA housing requirement figure (1,800 to end of plan period)
Households using wheelchair all the time	0.6%	10.8
Households using wheelchair either indoors or outdoors	3.0%	54.0

Source: Survey of English Housing 2018/19

Conclusions- Specialist Housing for Older People

230. At the time of writing this report there were 389 units of specialist accommodation for older people in the NA. All of these are available for social rent for those in financial need. There may therefore be a gap in the market for specialist housing for older people who would be ineligible for social rented provision. In addition there were 429 care home beds.

231. 2021 Census data suggests that at this time there were 3,272 individuals aged 75 and over in the NA. It is projected by the end of the plan period that this will increase to 5,117, with the 75+ population accounting for 12.3% of the population by 2036.

Speciality housing for older people

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

233. These two methods of estimating the future need in Blyth produce a range of 463 to 789 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well

accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

234. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-3, the majority of the need, at 69.1%, is identified for specialist market housing. Slightly more need is identified for extra-care housing, at 50.7% of need, compared to 49.3% of the need identified for sheltered housing. The greatest sub-category of need however was for market sheltered housing, at 37.0% of specialist housing need for older persons. It should be noted that some of this need may be able to be met through at home adaptations or ensuring that future development meets adaptability and accessibility standards.
235. It is important for specialist housing for older people to be provided in sustainable, accessible locations, with cost-effectiveness and economies of scale also important factors to consider. It is considered that Blyth is a suitable location for specialist accommodation. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

Care homes

236. Care home accommodation is defined as institutional accommodation rather than housing. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on this rate and the expected increase of 1,845 individuals aged 75+ between 2021 and 2036, it is estimated that in 2036 there would be a need for 120 additional care home beds in the NA compared to 2021. Some of the need for care home beds might be met by independent housing accommodation and vice versa. In addition, some of this need may be met through the turnover of the existing 429 care home beds in the NA.

Adaptable and accessible housing

237. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
238. The Local Plan outlines targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)). It states that 20% of new market housing and 50% of new Affordable Housing will be required to meet or exceed M4(2). It does not set requirements for housing suitable for wheelchair users (Category M4(3)). The evidence presented in the HNA may justify the Town Council approaching the LPA to discuss setting further requirements on accessibility and adaptability. However, Northumberland Council note that as the Local Plan has only recently been adopted there is little likelihood of the policy situation changing within the next

5 years at least (although if the Government's proposed mandating of M4(2) discussed above takes place then this would supersede the Policy HOU11 requirement).

7. Houses in Multiple Occupation

240. Blyth Town Council are aware of challenges in the NA relating to Houses in Multiple Occupation (HMOs), with this also raised by the public at engagement events relating to the Neighbourhood Plan.

241. This bespoke chapter considers the potential scale of HMOs in the NA. The approach is as follows:

- To estimate the **current level** of HMOs in Blyth;
- To discuss the **potential impacts** of HMOs on the housing market; and
- To discuss the potential **policy options** relating to HMOs at local authority level.

What are HMOs?

242. Government defines HMOs as “a property rented out by at least 3 people who are not from 1 household but share facilities like the bathroom and kitchen”¹⁴.

243. The classification of HMOs within the planning system differs slightly, with HMOs classified as a different Use Class to standard residential dwellings (which are Use Class C3). HMOs fall within Use Class C4 and are defined as “small, shared houses occupied by between 3 and 6 unrelated individuals, as their only or main residence, who share basic amenities such as a kitchen or bathroom”¹⁵. When HMOs house more than 6 unrelated individuals, they are considered ‘sui generis’ in planning terms, excluded from classification.

244. In England and Wales HMOs of a certain size must be licensed. Large HMOs, with 5 or more people, forming more than 1 household, with shared facilities such as a kitchen or bathroom, must be licensed by local authorities. Although this captures a significant number of HMOs, which are then required to meet certain standards, these controls do not apply to all HMOs. Most notably, smaller HMOs, with 3 or 4 individuals from more than 1 household, are not required to be licenced (although some local authorities impose stricter licensing requirements on HMOs and the wider private rented sector).

245. Another type of (often) unlicensed HMO defined in the 2004 Housing Act is Section 257 HMOs, formed from the conversion of a block of flats. These self-contained flats are considered HMOs where less than two thirds are owner occupied¹⁶ and the building work undertaken in connection with the conversion did not comply with the appropriate building standards¹⁷ (and still does not comply).

¹⁴ <https://www.gov.uk/house-in-multiple-occupation-licence>

¹⁵ Planning Portal Use Classes (updated 01/09/2020)

¹⁶ A flat is considered “owner-occupied” in these circumstances if it is occupied by a person who has a lease of the flat which has been granted for a term of more than 21 years, by a person who has the freehold estate in the converted block of flats, or by a member of the household of these people.

¹⁷ The “appropriate building standards” in the case of a converted block of flats means on which building work was completed before 1st June 1992 or which is dealt with by Regulation 20 of the Building Regulations 1991. In the case of any other converted block of flats, the requirements imposed at the time in relation to it by regulations under Section 1 of the Building Act 1984.

Stock of HMOs in Blyth

246. In order to determine the impacts of HMOs in Blyth it is important to understand the scale of supply in the NA. This is a complex topic and without detailed further research it is not possible to determine the exact number of HMOs in Blyth. A number of sources are reviewed here to try to understand the current stock of HMOs in the NA.
247. 2021 Census data records the number of HMOs at local authority level. These are categorised in the Census as either 'small HMOs' which had 3 or 4 unrelated tenants and 'large HMOs' which had 5+ unrelated tenants. The former would be unlicensed, and the latter licensed. It shows that across Northumberland in 2021 there were 39 HMOs (0.03% of all dwellings). Of these, 33 are small HMOs and 6 are large HMOs, showing that there are clearly smaller unlicensed dwellings in the local authority area. AECOM are also aware, based on other research, that the Census information on HMOs is likely to be an under-estimate. It is not possible to determine the potential increase over time as this data was not recorded in the 2011 Census.
248. Looking at England as a whole, there were 175,661 HMOs recorded in the 2021 Census (130,733 small HMOs and 44,928 large HMOs). HMOs therefore accounted for 0.7% of dwellings in the country. This is significantly greater than the proportion of HMOs in Northumberland (0.03%).
249. An alternative source of information on HMOs locally is the Northumberland County Council Public Register, which shows licensed HMOs across the local authority area. These HMOs contain at least 5 individuals from at least 2 different households. The Public Register shows 34 licensed HMOs across Northumberland, considerably more than the 6 'large HMOs' noted by the Census. Of the 34 licensed HMOs in Northumberland, 14 of these had addresses in Blyth. This would mean that approximately 0.2% of dwellings in Blyth are licensed HMOs.
250. Of the 14 licensed HMOs in Blyth, six had 5 occupants, six had 6 occupants, one had 7 occupants, and one had 11 occupants, in total housing 84 individuals.
251. It is not possible to estimate the number of smaller HMOs that are unlicensed in Blyth and so the Town Council or Northumberland County Council may wish to undertake further research on this topic through household surveys, either at a neighbourhood or local authority scale.
252. At the time of writing this HNA there were no rooms available for rent on Rightmove.co.uk in Blyth. This does not indicate a large market of HMOs, although rooms may be advertised via alternative means (e.g. word of mouth, social media, solely through letting agents). This means it is not possible to currently assess the affordability of rooms in Blyth in comparison to 1-bedroom dwellings.

Potential impacts of HMOs

253. There are a variety of impacts to communities and residents relating to HMOs. An important distinction to make when discussing HMOs is the difference between HMOs that students and young professionals occupy, and HMOs used to house those in need of urgent accommodation or due to constrained housing choices¹⁸. Students and young professionals sometimes make a financially driven choice to live in shared housing, often with people they already know, leading to a greater sense of community. The impacts of these HMOs can differ from those housing individuals on low incomes with few other housing choices (e.g. due to local housing allowance rates only covering room rates for under 35s), including individuals referred from the local authority or linked services (e.g. homelessness, probation, addiction services, refugee charities). It is assumed that the majority of HMOs in Blyth fall into the latter category due to the town not being close enough to a university to have demand for student accommodation, and young professionals likely to be living in larger settlements, such as Newcastle.
254. Research into HMOs in coastal towns reveals that these areas face challenges often attributed to rural areas¹⁹, which increase dependence on HMOs through low incomes and social exclusion. A greater proportion of seaside HMOs were also classified as non-decent to live in compared to England as a whole²⁰, with the House of Lords Select Committee on Regenerating Seaside Towns and Communities outlining that coastal towns suffer disproportionately from high levels of poor-quality housing, even more so when HMOs occupy a high percentage of the housing stock²¹.
255. There are a variety of potential impacts associated with high concentrations of HMOs and their prevalence in some coastal areas especially. Generally framed as negative, these impacts can relate both to the residents of HMOs and to the wider community. These may include noise and anti-social behaviour, issues with the general streetscape (e.g. vandalism, litter, parking issues), pressure on services (e.g. social care), and reduced community cohesion due to higher population churn than in the mainstream private rented sector.
256. However, it is also important to note that HMOs can provide an essential role in the private rented sector for households with limited housing options. They tend to provide a cheaper alternative to traditional private renting, especially for households unable to access social or affordable rented housing through the local authority or an RP. Challenges tend to arise when HMOs are poorly managed or where there are high concentrations of HMOs in particular geographic areas. Determining the condition or management conditions of

¹⁸ Barratt C and Green G. (2017). Making a Housing in Multiple Occupation a Home: Using Visual Ethnography to Explore Issues of Identity and Well-Being in the Experience of Creating a Home Amongst HMO Tenants. *Sociological Research Online*. 22:1.

¹⁹ Ward K. (2015). Geographies of exclusion: Seaside towns and Houses in Multiple Occupancy. *Journal of Rural Studies*. 37. Pp. 96-107.

²⁰ Ward K. (2015). Geographies of exclusion: Seaside towns and Houses in Multiple Occupancy. *Journal of Rural Studies*. 37. Pp. 96-107.

²¹ House of Lords Select Committee on Regenerating Seaside Towns and Communities – 'The Future of Seaside Towns' – 2017-2019.

HMOs would require further research to be undertaken by the Town Council or Northumberland County Council.

HMO Mitigation and Management Options

257. There are likely limited management options available to the Town Council through managing HMOs in Blyth via the Neighbourhood Plan. However, the evidence in this Chapter may be useful in influencing local authority level policies or management options (although additional evidence is likely required). Some of the management options available to local authorities are outlined in brief below:

- **Mandatory Licensing** – the main form of oversight, as discussed above, is mandatory licensing. It is a national requirement that HMOs rented to 5 or more individuals from 1 or more household, with some shared facilities, are licensed. This requires HMOs to meet certain standards in order to be licensed. However, this does not cover all HMOs (e.g. smaller HMOs). Licensing regimes can be expanded or strengthened to cover a larger number of properties.
- **Additional Licensing** – local authorities have the discretion to implement additional licensing requirements to capture smaller HMOs that do not fall under mandatory licensing. This can require all HMOs (regardless of size, although sometimes with exceptions) to be licensed in certain geographies.
- **Selective Licensing** – similar to additional licensing, this allows local authorities to require all privately rented properties within a specific area to be licensed by the Council, not just HMOs.
- **Planning Policy** – local authorities can implement policies in their Local Plan that restrict the granting of planning permission for HMOs in certain areas. Evidence is required to justify this policy and this is something Blyth Town Council could explore with Northumberland County Council.
- **Article 4** – currently a change of use from Class C3 (dwelling house) to Class C4 (HMO) falls under Permitted Development and therefore does not require planning permission. For large HMOs (containing more than 6 unrelated individuals) that fall within ‘sui generis’, planning permission is required. Article 4 Directions can be implemented by local planning authorities to remove existing Permitted Development rights that allow the change of use from Class C3 to Class C4, meaning planning permission would be required for houses to become HMOs (occupied by between 3 and 6 unrelated individuals).
- **Support Services** – some of the challenges HMO landlords and wider communities face with tenant management could potentially be addressed through providing support to vulnerable residents. This can include local authorities providing support or landlords signposting residents to appropriate services.

258. Although the Town Council may be in favour of increasing planning controls in relation to HMOs in Blyth, it should also be considered that introducing too strict a control approach could further limit the housing options for people that already have very few choices in the market. Any management options for HMOs must take into consideration both the Town Council and Northumberland County Council's overall strategy to tackle homelessness, empty properties, and residents with potential multiple complex needs (e.g. addiction, mental health problems, care leavers, referrals from the probation service).

Conclusions – Houses in Multiple Occupation

Stock of HMOs

259. 2021 Census data records the number of HMOs at local authority level. It shows that across Northumberland in 2021 there were 39 HMOs (0.03% of all dwellings). Of these, 33 are small HMOs and 6 are large HMOs, showing that there are clearly smaller unlicensed dwellings in the local authority area. AECOM are also aware, based on other research, that the Census information on HMOs is likely to be an under-estimate.

260. An alternative source of information on HMOs locally is the Northumberland County Council Public Register, which shows licensed HMOs across the local authority area. The Public Register shows 34 licensed HMOs across Northumberland, considerably more than the 6 'large HMOs' noted by the Census. Of the 34 licensed HMOs in Northumberland, 14 of these had addresses in Blyth. This would mean that approximately 0.2% of dwellings in Blyth are licensed HMOs.

261. It is not possible to estimate the number of smaller HMOs that are unlicensed in Blyth and so the Town Council or Northumberland County Council may wish to undertake further research on this topic through household surveys, either at a neighbourhood or local authority scale.

Potential impacts of HMOs

262. Students and young professionals sometimes make a financially driven choice to live in shared housing, often with people they already know, leading to a greater sense of community. The impacts of these HMOs can differ from those housing individuals on low incomes with few other housing choices (e.g. due to local housing allowance rates only covering room rates for under 35s), including individuals referred from the local authority or linked services (e.g. homelessness, probation, addiction services, refugee charities).

263. There are a variety of potential impacts associated with high concentrations of HMOs and their prevalence in some coastal areas especially. Generally framed as negative, these impacts can relate both to the residents of HMOs and to the wider community. These may include noise and anti-social behaviour, issues with the general streetscape (e.g. vandalism, litter, parking issues), pressure on services (e.g. social care), and reduced community cohesion due to higher population churn than in the mainstream private rented sector.

264. However, HMOs can provide an essential role in the private rented sector for households with limited housing options. They tend to provide a cheaper alternative to traditional private renting, especially for households unable to access social or affordable rented housing through the local authority or an RP.

HMO management

265. There are likely limited management options available to the Town Council through managing HMOs in Blyth via the Neighbourhood Plan. However, the full Chapter outlines the options available to Northumberland County Council. The evidence in this HNA may go some way to influencing local authority level policies or management options although additional evidence is likely required.

266. Although the Town Council may be in favour of increasing planning controls in relation to HMOs in Blyth, it should also be considered that introducing too strict a control approach could further limit the housing options for people that already have very few choices in the market.

8. Next Steps

Recommendations for next steps

267. This Neighbourhood Plan housing needs assessment aims to provide the Town Council with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Northumberland County Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of Northumberland County Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Northumberland County Council.

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

269. Bearing this in mind, it is recommended that the Town Council should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Northumberland County Council, or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

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

Appendix A : Assessment geography

271. For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The NA equates to the following combination of MSOAs:

- E02005709;
- E02005710;
- E02005711;
- E02005712; and
- E02005713.

Appendix B : Local Plan context

Policies in the adopted local plan

272. Table B-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Blyth.

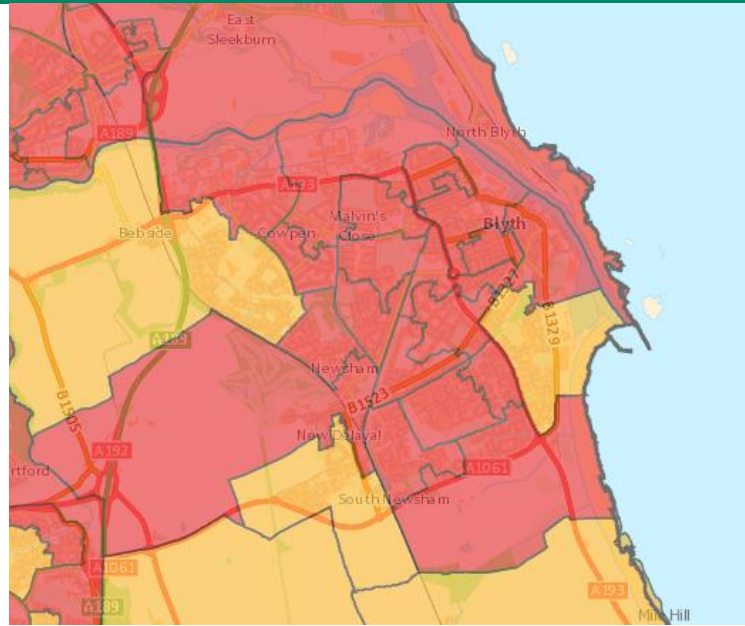
Table B-1: Summary of relevant adopted policies in the Northumberland Local Plan 2016-2036

Policy	Provisions
STP1 – Spatial Strategy (Strategic Policy)	<p>The Main Towns of Alnwick, Amble, Ashington, Bedlington/Bedlington Station, Berwick-upon-Tweed, Blyth, Cramlington, Haltwhistle, Hexham, Morpeth, Ponteland, and Prudhoe will be the main focus for employment, housing, retail, and services.</p> <p>The Service Centres of Allendale, Belford, Bellingham, Corbridge, Guidepost/Stakeford/Choppington/West Sleekburn, Haydon Bridge, Newbiggin-by-the-Sea, Rothbury, Seahouses, Seaton Delaval/Holywell, and Wooler will accommodate employment, housing, and services that maintains and strengthens their roles.</p> <p>The Service Villages will provide for a proportionate level of housing and be the focus for investment in rural areas, to support the provision and retention of local retail, services, and facilities.</p> <p>Small Villages will support a proportionate level of development subject to Green Belt policy considerations where relevant.</p>
HOU2: Provision of New Residential Development (Strategic Policy)	<p>The delivery of new open market and affordable dwellings in a range of tenures, types, and sizes will be supported where it is consistent with:</p> <ol style="list-style-type: none"> The spatial strategy for Northumberland; Meeting the objectively assessed housing needs and housing priorities as identified through an up-to-date assessment; and Making the best and most efficient use of land and buildings, encouraging higher densities in the most accessible locations and the redevelopment of suitable previously-developed ‘brownfield’ sites wherever possible and viable to do so. <p>The housing requirement for Northumberland over the plan period 2016-2036 is for at least 17,700 Use Class C3 net</p>

Policy	Provisions
	additional dwellings, an annual average of 885 dwellings per annum.
HOU3: Housing Requirements for Neighbourhood Areas (Strategic Policy)	<p>Designated neighbourhood areas should provide for the following minimum housing requirements to help meet Northumberland's overall housing requirements.</p> <p>Blyth has an indicative housing requirement 2016 to 2036 of 1,800 dwellings and is identified as being in the 'South East Delivery Area' in Table 7.1.</p>
HOU4: Housing Development Site Allocations (Strategic Policy)	<p>The following sites are allocated for residential development to help meet Northumberland's residual housing requirements over the plan period to 2036:</p> <ul style="list-style-type: none"> • Land at Crofton Mill, Plessey Road, Blyth – 45-50 dwellings; • Land at Sandringham Drive / Windsor Drive, Blyth – 30-35 dwellings; and • Land at Lyndon Walk, Blyth – 10 dwellings (<i>this site has planning permission for 13 affordable 2-bedroom supported bungalows</i>).
HOU5: Housing Types and Mix	<p>A range of good quality, energy-efficient homes, including affordable homes, will be provided to deliver a more balanced mix of tenures and housing types and sizes, alongside supported specialist housing for older and vulnerable people.</p> <p>Community-led housing, including individual and group self-build and custom-housebuilding, will be supported and facilitated, particularly where they will contribute to meeting local housing needs.</p> <p>In addition to stand-alone serviced and unserviced plots, commercial housebuilders will be encouraged to set-aside dedicated serviced plots for self-build and custom-build homes where appropriate within 'major' housing development sites.</p>
HOU6: Affordable Housing Provision (Strategic Policy)	<p>To deliver affordable homes for sale or rent to meet the identified needs of those not otherwise met by the market, 'major' development proposals of 10 or more units (or 5 or more units in the AONB) will be expected to deliver on site affordable housing.</p> <p>As shown in the map below, the majority of Blyth is within the low value area (red), with part of Blyth in the medium value area (orange).</p>

Policy

Provisions



Within the low value areas, 10% affordable housing is required (except developments of 10 or more, but less than 30 dwellings which are exempt from making an affordable housing contribution). Within the medium value area 15% affordable housing is required (except developments of 10 or more, but less than 30 dwellings which are exempt from making an affordable housing contribution).

Within the low value areas 100% affordable home ownership is expected. Within the medium value areas, 33% affordable homes to rent and 67% affordable home ownership is expected.

HOU7: Exception Sites

The development of entry-level exception sites (*which have now been superseded by First Homes Exception Sites*) for first-time buyers or renters will be supported on sites not allocated for housing adjacent to an existing settlement in line with the full policy.

The development of small rural exception sites that would not normally be used for housing within, adjacent, or well-related to an existing settlement will be supported in line with the full policy.

HOU11: Homes for Older and Vulnerable People (Strategic Policy)

Housing and other residential accommodation which meets the changing needs of older people and vulnerable needs groups and which supports residents' desires to live securely and independently in their own homes and communities over their lifetimes will be delivered wherever possible, by:

- a. Supporting the adaptation of existing homes and the provision of new adaptable homes, including bungalows, level-access flats, and sheltered 'extra-care' accommodation, located in accessible and sustainable

Policy

Provisions

- central locations well-served by local health, leisure, education, and transport facilities;
- b. Supporting and facilitating the provision of integrated sheltered residential retirement and 'extra-care' accommodation with support for older people and vulnerable adults;
 - c. Supporting and enabling the provision of Use Class C2 residential care and nursing home accommodation options for those older and vulnerable people with physical disabilities and other needs which are unable to live independently;
 - d. Facilitating the creation of 'lifetime neighbourhoods' and 'retirement villages' that are well-designed to be accessible for everyone, located centrally within larger settlements close to local services and community facilities.

To ensure that new homes are accessible and adaptable to meet the needs of residents now and in the future, 20% of new open market dwellings and 50% of affordable dwellings will be required to meet or exceed the enhanced accessibility and adaptability housing standards in compliance with Requirement M4(2) of the Building Regulations (or any equivalent successor standards).

Source: Northumberland County Council

Appendix C : Affordability calculations

273. This section outlines how the affordability thresholds discussed in the Affordability and Affordable Housing have been calculated.

C.1 Market housing

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

i) Market sales

275. The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.

276. To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Blyth, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.

277. The calculation for the purchase threshold for market housing is as follows:

- Value of a median NA house price (2022) = £121,000;
- Purchase deposit at 10% of value = £12,100;
- Value of dwelling for mortgage purposes = £108,900;
- Divided by loan to income ratio of 3.5 = purchase threshold of £31,114.

278. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2022 was £87,000, and the purchase threshold is therefore £22,371.

279. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 21 sales of new build properties in the NA in

2022. The NA new build lower quartile house price in 2022 for Blyth was £145,950, with a purchase threshold of £37,530.

280. In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Northumberland in 2022. The median cost of new build dwellings in Northumberland was £304,495, with a purchase threshold of £78,299. This is significantly higher than the median cost of a new build dwelling in Blyth in 2022 (£169,950), suggesting that house prices in the NA are well below the wider local authority area, likely in part due to Blyth being a more urban area with a higher proportion of flats.

ii) Private Rented Sector (PRS)

281. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.

282. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.

283. The property website Home.co.uk shows rental values for property in the Neighbourhood Area.

284. According to Home.co.uk, there were 42 properties for rent at the time of search in April 2023, with an average monthly rent of £592. There were 6 1-bedroom properties listed, with an average price of £519 per calendar month.

285. The calculation for the private rent income threshold for entry-level (1-bedroom) dwellings is as follows:

- Annual rent = £519 x 12 = £6,228;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £20,760.

286. The calculation is repeated for the overall average to give an income threshold of £23,680.

C.2 Affordable Housing

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

i) Social rent

288. Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

289. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Blyth. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Northumberland in Table C-1.

290. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£68.49	£75.24	£81.87	£91.27	£76.20
Annual average	£3,561	£3,912	£4,257	£4,746	£3,962
Income needed	£11,860	£13,029	£14,177	£15,804	£13,195

Source: Homes England, AECOM Calculations

ii) Affordable rent

291. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).

292. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families

under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

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

294. Comparing this result with the average 1-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 70% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£85.84	£95.34	£104.30	£115.03	£96.28
Annual average	£4,464	£4,958	£5,424	£5,982	£5,007
Income needed	£14,864	£16,509	£18,061	£19,919	£16,672

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

295. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

296. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

First Homes

297. Because First Homes are a new tenure product, it is worth explaining some of their key features:

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;

- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

298. The starting point for considering whether First Homes are affordable is the cost of new build entry-level housing in the NA noted above of £145,950.

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

- Value of a new home (NA new build entry-level) = £145,950;
- Discounted by 30% = £102,165;
- Purchase deposit at 10% of value = £10,217;
- Value of dwelling for mortgage purposes = £91,949;
- Divided by loan to income ratio of 3.5 = purchase threshold of £26,271.

300. The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £22,518 and £18,765 respectively.

301. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. The discounted prices are also all below the £250,000 cap.

302. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming

70 sq. m and a build cost of £1,750 per sq. m²²) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be a potential issue in Blyth at all discount levels.

303. Table C-3 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using the new build entry-level house price in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

Table C-3: Discount on sale price required for households to afford First Homes

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	0%	52%	4%
NA new build entry-level house price	10%	60%	20%
NA entry-level house price	0%	33%	0%
LA median new build house price	57%	81%	62%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

304. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
305. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
306. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

²² It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

307. The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £145,950 is £36,488;
- A 10% deposit of £3,649 is deducted, leaving a mortgage value of £32,839;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £9,383;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £109,463;
- The estimated annual rent at 2.5% of the unsold value is £2,737;
- This requires an income of £9,122 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £18,504 (£9,383 plus 9,122).

308. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £14,699 and £24,846 respectively.

309. All of the income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

310. Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Help to Buy (Equity Loan)

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

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

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

313. In Table D-1 AECOM has calculated, using PPG as a starting point,²³ an estimate of the total need for affordable rented housing in Blyth over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence available. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
314. It should also be noted that figures in Table D-1 are largely dependent on information provided by Northumberland in its capacity as manager of the local housing waiting list.
315. Waiting list data provided by Northumberland County Council identified 631 households in housing need registered for Blyth. It also notes that there are 302 properties being advertised. If the households on the waiting list were allocated these properties, this would leave a residual housing need of 329 units. However, for the purposes of this HNA the raw need is used in the calculations in D-1 as it is not confirmed that the 302 properties are meeting the needs of this many households.

²³ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

Table D-1: Estimate of need for Affordable Housing for rent in Blyth

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	631.0	Neighbourhood level waiting list data provided by LA.
1.2 Per annum	48.5	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	1,220.8	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	35.7%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA.
2.2.1 Current number of social renters in NA	4,512.0	2021 Census social rented occupancy
2.2.2 Number of private renters on housing benefits	1,114.2	Housing Benefit / Universal Credit with housing entitlement caseload March 2021. Pro rata for NA.
2.3 New households unable to rent	435.4	Step 2.1 x Step 2.2.
2.4 Per annum	33.5	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	135.4	Step 3.1 x NA social rented stock (2.2.1).
NET SURPLUS OF RENTED UNITS PER ANNUM		
Overall surplus per annum	-53.3	Step 1.2 + Step 2.4 - Step 3.2
Overall surplus over the plan period	-693.3	Above * plan period

Source: AECOM model, using Census 2021, English Housing Survey 2018, DLUHC 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency. Figures may not sum due to rounding.

316. Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Blyth. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

317. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households

(typically 80% or more) aspire to home ownership.²⁴ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

Table D-2: Estimate of the potential demand for affordable housing for sale in Blyth

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in parish	2,879.0	Census 2021 private rented occupancy.
1.2 Percentage renters on housing benefit in LA	38.7%	% of renters in March 2021 on Housing Benefit / Universal Credit with housing entitlement ²⁵ .
1.3 Number of renters on housing benefits in parish	1,114.2	Step 1.1 x Step 1.2.
1.4 Current need (households)	1,323.6	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ²⁶
1.5 Per annum	101.8	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	1,220.8	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	8.0%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	97.6	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	7.5	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	79.0	Number of shared ownership homes in parish (Census 2021).
3.2 Supply - intermediate resales	4.0	Step 3.1 x 5% (assumed rate of resale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	105.4	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall over the plan period	1,369.9	Above * plan period

Source: AECOM model, using Census 2021, English Housing Survey 2018, DLUHC 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency.

²⁴ <http://www.ipsos-mori-generations.com/housing.html>

²⁵ Housing Benefit is in the process of being moved across to Universal Credit (with housing entitlement). DWP are aware that there may be some double counting of households (although this is believed to be minimal) and AECOM consider that it is more accurate to use the sum of both than solely the Housing Benefit figure

²⁶ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNA and SHMA. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

318. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

319. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable housing policy

320. The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

Table D-3: Wider considerations in developing Affordable Housing mix policy

Consideration	Local Evidence
<p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>This HNA suggests that the NA requires 1,370 units of affordable home ownership homes over the Plan period and that the need for affordable rented housing would be met over the plan period.</p> <p>However, considering the substantial backlog of need on the Housing Register and the number of bids per social/affordable rented property that becomes available, both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p>
<p>B. Can Affordable Housing needs be met in full?</p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p>	<p>If the Local Plan targets of 10% or 15% Affordable Housing were met, assuming the delivery of the NA's outstanding permissions of 684 homes, up to 68-103 affordable homes might be expected in the NA over Plan period.</p> <p>This level of potential affordable housing delivery would not be sufficient to meet all of the need identified.</p>
<p>C. Government policy (eg NPPF) requirements:</p>	<p>For 10% of all housing to be affordable ownership in Blyth, where in low value areas</p>

<p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	<p>10% of all housing should be affordable, and in medium value areas 15% of housing should be affordable, 100% and 67% respectively of Affordable Housing should be for affordable ownership. This complies with the guideline tenure split sought in the Local Plan.</p>
<p>D. Local Plan policy:</p>	<p>The adopted Local Plan seeks a tenure split in the low value area of 100% affordable home ownership and in the medium value area a split of 33% affordable rent and 67% affordable home ownership.</p>
<p>E. First Homes policy:</p> <p>The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering ‘top slicing’ their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p>	<p>This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This would not appear to be an issue in Blyth.</p>

F. Viability:	HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.
G. Funding: The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.	The Town Council may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
H. Existing tenure mix in Blyth: The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.	2021 Census data shows that at that time 25.5% of households lived in Affordable Housing (25.1% in social rented housing and 0.4% in shared ownership dwellings), compared to 18.3% across Northumberland and 18.1% nationally. Although the proportion of households living in social rented housing in Blyth was well above the levels in the comparator geographies, the proportion of households living in shared ownership dwellings was the smallest in Blyth.
I. Views of registered providers:	It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
J. Wider policy objectives:	The Town Council may wish to take account of broader policy objectives for Blyth and/or the wider local authority area. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider

	considerations may influence the mix of Affordable Housing provided.
--	--

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Blyth

	Name	Description	Dwellings	Tenure	Type
1	Alwinton Court	2-bedroom bungalows. Includes mobility standard properties.	14	Rent (social landlord)	Retirement housing
2	Alwinton Court	Studio and 1-bedroom flats. Includes mobility standard properties.	38	Rent (social landlord)	Retirement housing
3	Athlone Court (1)	1-bedroom flats. Includes mobility standard properties.	12	Rent (social landlord)	Retirement housing
4	Athlone Court (2)	1-bedroom flats. Includes mobility standard properties	23	Rent (social landlord)	Retirement housing
5	Bader Court	1-bedroom flats.	57	Rent (social landlord)	Retirement housing
6	Belford Court	Studio and 1-bedroom flats. Includes wheelchair standard properties.	25	Rent (social landlord)	Retirement housing
7	Bob Elliott House	1-bedroom and 2-bedroom flats. Includes mobility and wheelchair standard properties.	31	Rent (social landlord)	Extra care housing
8	Hollyoak House	1-bedroom flats.	28	Rent (social landlord)	Retirement housing
9	Jubilee Court	1-bedroom and 2-bedroom flats.	30	Rent (social landlord)	Age exclusive housing
10	Newlands Road	2-bedroom bungalows.	8	Rent (social landlord)	Age exclusive housing
11	Nye Bevan House	1-bedroom flats.	30	Rent (social landlord)	Retirement housing

12	Patterson House	1-bedroom flats.	30	Rent (social landlord)	Retirement housing
13	Pembroke Court	1-bedroom flats. Includes wheelchair standard properties.	32	Rent (social landlord)	Retirement housing
14	Rowan Court	1-bedroom flats. Includes wheelchair standard properties.	13	Rent (social landlord)	Retirement housing
15	The Gables	1-bedroom and 2-bedroom flats.	18	Rent (social landlord)	Age exclusive housing

Care Homes

	Name	Bedspaces	Type
1	Chasedale	60	Care home with nursing
2	Crofton Court	50	Care home
3	Percy House	17	Care home
4	Ridley Park Care Home	59	Care home / care home with nursing
5	South Bebside Nursing Home	32	Care home with nursing
6	South Quay Nursing Home	45	Care home with nursing
7	The Oaks Care Home	36	Care home with nursing
8	Thomas Knight Care Home	54	Care home with nursing
9	Tynedale House	30	Care home
10	Waterloo House	46	Care home

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

Table E-2: Tenure and mobility limitations of those aged 65+ in Blyth, 2011 (65+ is the closest proxy for 75+ in this data)

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	1,813	31.4%	1,684	29.2%	2,277	39.4%
<i>Owned Total</i>	983	25.3%	1,133	29.1%	1,773	45.6%
Owned outright	837	24.5%	1,006	29.5%	1,571	46.0%
Owned (mortgage) or shared ownership	146	30.7%	127	26.7%	202	42.5%
<i>Rented Total</i>	830	44.0%	551	29.2%	504	26.7%
Social rented	714	44.8%	463	29.1%	415	26.1%
Private rented or living rent free	116	39.6%	88	30.0%	89	30.4%

Source: DC3408EW Health status

HLIN calculations

Table E-3: Recommended provision of specialist housing for older people from the HLIN SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

321. As Table 6-1 in the main report shows, Blyth is forecast to see an increase of 1,845 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 1.845 = 111$
- Leasehold sheltered housing = $120 \times 1.845 = 221$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 1.845 = 37$

- Extra care housing for rent = $15 \times 1.845 = 28$
- Extra care housing for sale = $30 \times 1.845 = 55$
- Housing based provision for dementia = $6 \times 1.845 = 11$

Appendix F : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

b) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

c) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and

Rent to Buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²⁷.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard²⁸

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

²⁷ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²⁸ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order²⁹

A community right to build order is a special kind of neighbourhood development order, granting planning permission for small community development schemes, such as housing or new community facilities. Local community organisations that meet certain requirements or parish/town councils are able to prepare community right to build orders.

Concealed Families (Census definition)³⁰

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

Equity Loans/Shared Equity

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

²⁹ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

³⁰ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

First Homes is another form of discounted market housing which will provide a discount of at least 30% on the price of new homes, introduced in 2021. These homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments will be required to provide 25% of Affordable Housing as First Homes. A more detailed explanation of First Homes and its implications is provided in the main body of the HNA.

Habitable Rooms

The number of habitable rooms in a home is the total number of rooms, excluding bathrooms, toilets and halls.

Household Reference Person (HRP)

The concept of a Household Reference Person (HRP) was introduced in the 2001 Census (in common with other government surveys in 2001/2) to replace the traditional concept of the head of the household. HRPs provide an individual person within a household to act as a reference point for producing further derived statistics and for characterising a whole household according to characteristics of the chosen reference person.

Housing Market Area

A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. It might be the case that housing market areas overlap.

The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning authorities should work with all the other constituent authorities under the duty to cooperate.

Housing Needs

There is no official definition of housing need in either the National Planning Policy Framework or the National Planning Practice Guidance. Clearly, individuals have their own housing needs. The process of understanding housing needs at a population scale is undertaken via the preparation of a Strategic Housing Market Assessment (see below).

Housing Needs Assessment

A Housing Needs Assessment (HNA) is an assessment of housing needs at the Neighbourhood Area level.

Housing Products

Housing products simply refers to different types of housing as they are produced by developers of various kinds (including councils and housing associations). Housing products usually refers to specific tenures and types of new build housing.

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms); or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between more than one household, for example a shared kitchen, are not counted.

Housing Type (Census Definition)

This refers to the type of accommodation used or available for use by an individual household (i.e. detached, semi-detached, terraced including end of terraced, and flats). Flats are broken down into those in a purpose-built block of flats, in parts of a converted or shared house, or in a commercial building.

Housing Tenure (Census Definition)

Tenure provides information about whether a household rents or owns the accommodation that it occupies and, if rented, combines this with information about the type of landlord who owns or manages the accommodation.

Income Threshold

Income thresholds are derived as a result of the annualisation of the monthly rental cost and then asserting this cost should not exceed 35% of annual household income.

Intercensal Period

This means the period between the last two Censuses, i.e. between years 2001 and 2011.

Intermediate Housing

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as 'low-cost market' housing, may not be considered as affordable housing for planning purposes.

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the Plan period on the basis of changes in the distribution of household types and key age brackets (life stages) within the NA. Given the shared behavioural patterns associated with these metrics, they provide a helpful way of understanding and predicting future community need. This data is not available at neighbourhood level so LPA level data is employed on the basis of the NA falling within its defined Housing Market Area.

Life-time Homes

Dwellings constructed to make them more flexible, convenient adaptable and accessible than most 'normal' houses, usually according to the Lifetime Homes Standard, 16 design criteria that can be applied to new homes at minimal cost: <http://www.lifetimehomes.org.uk/>.

Life-time Neighbourhoods

Lifetime neighbourhoods extend the principles of Lifetime Homes into the wider neighbourhood to ensure the public realm is designed in such a way to be as inclusive as possible and designed to address the needs of older people, for example providing more greenery and more walkable, better connected places.

Local Development Order

An Order made by a local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a specific development proposal or classes of development.

Local Enterprise Partnership

A body, designated by the Secretary of State for Communities and Local Government, established for the purpose of creating or improving the conditions for economic growth in an area.

Local housing need (NPPF definition)

The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of this Framework).

Local Planning Authority

The public authority whose duty it is to carry out specific planning functions for a particular area. All references to local planning authority apply to the District Council, London Borough Council, County Council, Broads Authority, National Park Authority or the Greater London Authority, to the extent appropriate to their responsibilities.

Local Plan

This is the plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. Current core strategies or other planning policies form part of the Local Plan and are known as 'Development Plan Documents' (DPDs).

Lower Quartile

The bottom 25% value, i.e. of all the properties sold, 25% were cheaper than this value and 75% were more expensive. The lower quartile price is used as an entry level price and is the recommended level used to evaluate affordability; for example for first time buyers.

Lower Quartile Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Lower Quartile Household Incomes and Lower Quartile House Prices, and is a key indicator of affordability of market housing for people on relatively low incomes.

Market Housing

Market housing is housing which is built by developers (which may be private companies or housing associations, or Private Registered Providers), for the purposes of sale (or rent) on the open market.

Mean (Average)

The mean or the average is, mathematically, the sum of all values divided by the total number of values. This is the more commonly used "average" measure as it includes all values, unlike the median.

Median

The middle value, i.e. of all the properties sold, half were cheaper and half were more expensive. This is sometimes used instead of the mean average as it is not subject to skew by very large or very small statistical outliers.

Median Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Median Household Incomes and Median House Prices and is a key indicator of affordability of market housing for people on middle-range incomes.

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years³¹, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

³¹ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

living room and one kitchen would be deemed overcrowded if three adults were living there.

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living “rent free”. Around 20% of the private rented sector are in this category, which will have included some benefit claimants whose housing benefit at the time was paid directly to their landlord. This could mean people whose rent is paid by their employer, including some people in the armed forces. Some housing association tenants may also have been counted as living in the private rented sector because of confusion about what a housing association is.

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

Housing for older people comprising of individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually

include support services for independent living. This type of housing can also include dementia care homes.

Rightsizing

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

Rural Exception Sites

Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable dwellings without grant funding.

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75% (though this was lowered in 2021 to a minimum of 10%), and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

Sheltered Housing³²

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bed roomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also

³² See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.³³

³³ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

