



Cramlington Housing Needs Assessment (HNA)

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Table of Contents

1.	Executive Summary	6
2.	Context	14
2.1	Local context	14
2.2	Planning policy context	14
2.3	Northumberland Core Strategy (July 2017)	14
2.4	Northumberland Consolidated Planning Policy Framework	15
2.5	Northumberland emerging Local Plan (eLP).....	15
3.	Approach	16
3.1	Research Questions	16
3.1.1	Quantity	16
3.1.2	Tenure.....	16
3.1.3	Type and Size	16
3.1.4	Housing for Specialist Groups	17
3.2	Study Objectives.....	17
3.3	Relevant Data	17
3.3.1	SHMA	Error! Bookmark not defined.
3.3.2	Other relevant data (from LPA or NP group, e.g. housing survey).....	18
4.	Quantity	19
4.1	Northumberland Core Strategy (July 2017)	Error! Bookmark not defined.
4.2	Northumberland Five-Year Supply of Deliverable Sites	19
4.3	Northumberland Strategic Housing Market Assessment 2015 (October 2015).....	Error! Bookmark not defined.
4.4	MHCLG Household Projections.....	19
4.5	Dwelling growth 2001 – 2011.....	20
4.6	Dwelling growth since 2011	20
4.7	Dwelling growth 2001-2017	20
4.8	The Standard Methodology	20
4.9	Conclusion.....	Error! Bookmark not defined.
5.	Tenure.....	22
6.	Type and size.....	23
6.1	Background and definitions	23
6.2	Existing types and sizes	24
6.3	Demographic Factors Affecting the Type and Size of Housing Required.....	26
6.4	Market Factors Affecting the Type and Size of Housing Required	31
7.	Specialist Housing	35
7.1	Older people's housing choices.....	35
7.2	Sheltered and extra-care housing.....	37
7.3	Other housing options for the elderly	39
8.	Market Signals	42
8.1	Employment and Commuting	42
8.2	Housing Market (Prices)	45
8.3	Housing Market (Transactions).....	46
8.4	Migration.....	47
8.5	Rate of Development.....	48
9.	Conclusions	50
9.1	Overview.....	50
9.2	Recommendations for next steps	52
	Appendix A : Definitions of Specialist Housing	55
A.1	Sheltered Housing	55
A.2	Extra Care Housing	55

List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
CHNA	Cramlington Housing Needs Assessment
CTC	Cramlington Town Council
DPD	Development Plan Document
eLP	Emerging Local Plan for Northumberland
HLIN	Housing Learning and Improvement Network
HNA	Housing Needs Assessment
HNF	Housing Needs Figure
LPA	Local Planning Authority
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood Area
NCC	Northumberland County Council
NLPCS	Northumberland Local Plan Core Strategy
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OAN	Objectively Assessed Need
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
QB	Qualifying Body
SEP	Strategic Economic Plan
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SHMA15	Northumberland Strategic Housing Market Assessment 2015

1. Executive summary

Headlines

1. Our objective assessment of housing need in Cramlington is for **1087 dwellings to the end of the Plan Period in the Neighbourhood Area (NA), or 78 dwellings per annum**. However, at least 10 of these per annum should be made up of specialist housing for the elderly.
2. The Cramlington Housing Needs Assessment (CHNA) **follows adopted practice with regards to assessing Affordable Housing (AH) needs**, and how this need may be addressed through different tenures. The method described in some detail in Appendix C should give Cramlington Town Council (CTC) confidence the findings are based on a robust and transparent methodology.
3. Given the recent emergence of the consultation draft of the National Planning Policy Framework (NPPF18), **CTC is able to influence whether Starter Homes do form part of AH allocation in the NA**, and whether they wish to meet MHCLG's policy expectation that 10% of AH fall into this tenure. We note there is a clear recommendation from the CHNA that Starter Homes do have a role to play.
4. There is likely to be a **significant need for smaller dwellings of 1-2 bedrooms in the future**, with these most appropriately provided as flats. We would recommend that the majority of new net dwellings be provided as this type and size, to help attract younger people to Cramlington who may prefer this style of living.

Introduction

5. CTC has been designated as a Qualifying Body (QB) and has decided to prepare a Neighbourhood Plan (NP) for the Town Council area, referred to here as the Neighbourhood Area (NA). The 2011 Localism Act introduced neighbourhood planning, allowing town councils, parishes or neighbourhood forums across England to develop and adopt legally binding development plans for their neighbourhood area. We have been asked to prepare a Housing Needs Assessment (HNA) by CTC, based on a robust methodology, local data, and focussed on a number of research questions agreed with them.
6. As more and more towns and parish councils and forums seek to address housing growth, including tenure and type of new housing, it has become evident that housing policies need to be underpinned by robust, objectively assessed housing data.
7. In the words of the national Planning Practice Guidance (PPG), establishing future need for housing is not an exact science, and no single approach will provide a definitive answer¹. The process involves making balanced judgements based on the qualitative and statistical evidence gathered as well as having regard for relevant national and Local Planning policies and guidance.
8. At a neighbourhood planning level, one important consideration is determining the extent to which the neighbourhood diverges from the local authority average, reflecting the fact that a single town, village, or neighbourhood almost never constitutes a housing market area on its own and must therefore be assessed in its wider context.
9. The guidance quoted above on housing needs assessment is primarily aimed at Local Planning authorities preparing Strategic Housing Market Assessments (SHMAs), which are used to determine housing need at a local authority and/or housing market area level. However, it helpfully states that those preparing neighbourhood plans can use the guidance to identify specific local needs that may be relevant to a neighbourhood, but that any assessment at such a localized level should be proportionate.
10. Our brief was to advise on data at this more local level to help CTC understand the quantity, tenure, type, and size of housing needed to inform neighbourhood plan policies.

PPG-based assessment

11. This objective and independent housing needs advice note follows the PPG approach where relevant. This ensures our findings are appropriately evidenced. The PPG advises that assessment of development needs should be thorough but proportionate and does not require planners to consider purely hypothetical future scenarios, only future scenarios that could be reasonably expected to occur.

Summary of methodology

12. Housing Needs Assessment (HNA) at neighbourhood plan level can be focused either on quantity of housing needed, type of housing needed, or both. In most cases, there is a need to focus on quantity where the housing target for the area is unclear, for example where the local authority has not set a specific target for the area, or where there is no

¹ PPG Paragraph: 014 Reference ID: 2a-014-20140306 Revision date: 06 03 2014

Local Plan (LP) in place. In the case of Cramlington, no up to date Local Plan is currently in place, and therefore CTC have asked AECOM to advise both on the quantity and type of housing likely to be needed in the NA going forward.

13. The rationale for this approach is that neighbourhood plans need to meet the basic conditions, the fulfilment of which is tested through an independent examination. One of these, Basic Condition E, requires the Neighbourhood Plan to be in 'general conformity with the strategic policies' of the LP. The Government's PPG indicates that the level of housing development is likely to count as a strategic policy.² As such, this HNA investigates specific local needs that are relevant to the neighbourhood whilst supporting the strategic development needs set out in the emerging Local Plan for Northumberland. This means a neighbourhood plan can propose more housing where there is demonstrable need, but not less than the LP.
14. In terms of the types of housing needed, there is generally more flexibility on what neighbourhood plans can cover. In order to understand the types of housing needed in Cramlington, we have gathered a wide range of local evidence and distilled this into policy recommendations designed to inform decisions on housing characteristics.

Focus on demand rather than supply

15. Our approach is to provide advice on the housing required based on need and/or demand rather than supply. This is in line with the PPG, which states that '*the assessment of development needs should be an objective assessment of need based on facts and unbiased evidence. Plan makers should not apply constraints to the overall assessment of need, such as limitations imposed by the supply of land for new development, historic under performance, viability, infrastructure or environmental constraints.*'³
16. For this reason, we advise that the conclusions of this report should be assessed against supply-side considerations (including, for example, factors such as transport infrastructure, landscape constraints, flood risk and so on) as a separate and follow-on exercise⁴.

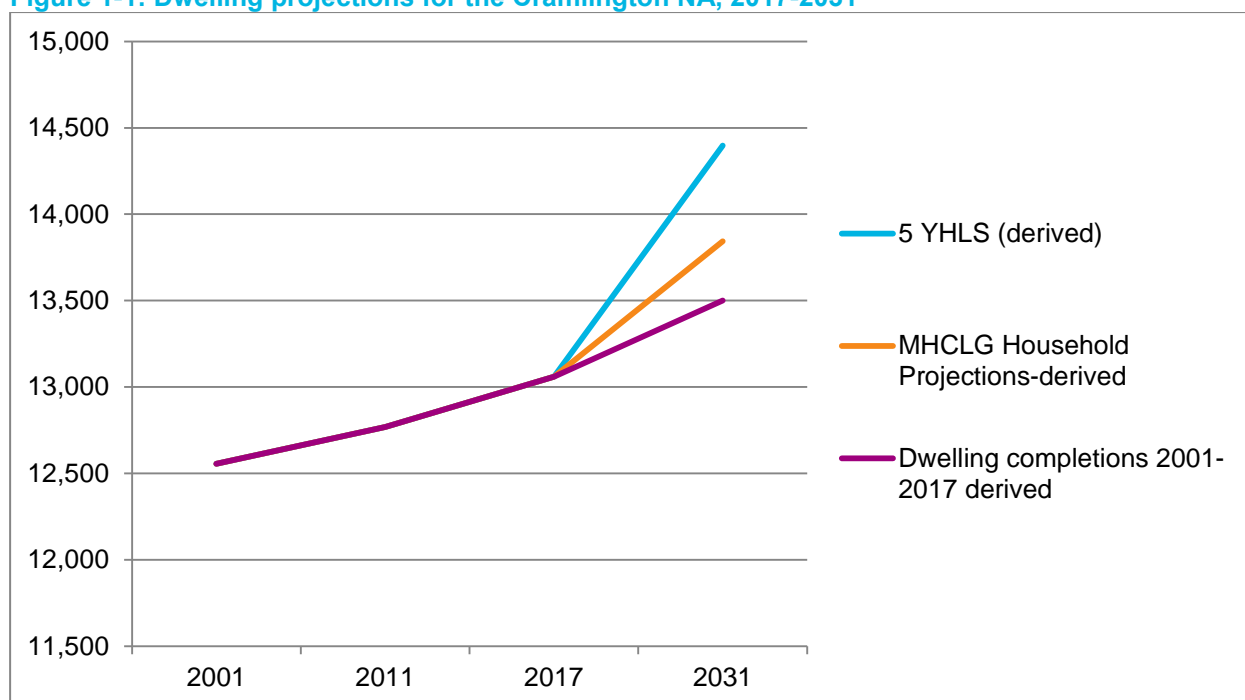
Quantity of housing needed

17. Our assessment of a wide range of data sources identified three separate projections of dwelling numbers for Cramlington ranging significantly between 441 additional dwellings and 1,338 additional dwellings to 2031, based on:
 1. A housing needs projection based on Northumberland Five-Year Supply of Deliverable Sites produces a target of 1,338 dwellings over the Plan Period, 2017 and 2031;
 2. MHCLG household projections generate a re-based projection of dwellings of 1,807 dwellings (rounded) between 2017 and 2031; and
 3. A projection derived from dwelling growth rates between 2001 and 2017 estimates 441 dwellings over the Plan Period.
18. These dwelling number projections are illustrated in Figure 1-1 below.

² PPG Paragraph: 006 Reference ID: 2a-006-20140306

³ See Planning Practice Guidance, Paragraph: 004 Reference ID: 2a-004-20140306 Revision date: 06 03 2014

⁴ Such an approach, clearly separating housing need assessment from dwelling capacity assessment, was endorsed by the Government for calculating housing need at local authority level in the ministerial statement and press release 'Councils must protect our precious green belt land' (DHCLG, 4 October 2014, available at <https://www.gov.uk/government/news/councils-must-protect-our-precious-green-belt-land>)



Figure 1-1: Dwelling projections for the Cramlington NA, 2017-2031



Source: AECOM Calculations

19. The graph above sets out the total number of homes under each of the projections we have identified for Cramlington. The starting point to arrive at an overall projection for housing numbers to be delivered in the NA over the Plan Period is the average of the three projections set out above; we depart from this approach if we have reason to believe a given projection should be awarded more weight than others, or should be excluded.
20. In the case of Cramlington, we do not see any justification for awarding any one projection greater weight given that each one is supported by a compelling rationale for why it should be taken into account in arriving at a housing needs figure for the area, therefore the initial housing projection is for 1,025 dwellings in the Cramlington NA by 2031, or 73 dwellings per annum.
21. Table 1-1 below provides an overview of the different factors that may potentially impact housing quantity in the NA. We have applied our professional judgment on the scales of increase and decrease associated with each factor on a scale from one to three, where one arrow indicates 'some impact', two arrows 'stronger impact' and three arrows indicates an even stronger impact. Factors are set out in the table below in alphabetical but no other order.

Table 1-1: Summary of factors specific to Cramlington NP with a potential impact on neighbourhood plan housing quantity

Factor	Source(s) (detailed in Chapter 8)	Possible impact on future housing need	Rationale for judgement
Employment and Commuting	Census 2001/ 2011, http://commute.datashine.org.uk , The North East SEP, 2017	↑↑↑	<p>Although the economy of Northumberland is under-performing, the local economy of Cramlington is doing well compared to the rest of the County and has benefited from recent investments which have strengthened the retail and leisure offer in the area.</p> <p>A number of industries, including large employers such as MSK and PII, are concentrated in the town's well developed industrial estates, which include advanced manufacturing, pharmaceuticals and business services.</p>

Factor	Source(s) (detailed in Chapter 8)	Possible impact on future housing need	Rationale for judgement
Housing Sales (Prices)	Land Registry Price Paid Data for 2008-2017, SHMA15		There are also new major sites to come forward including at Northumberland Business Park and West Hartford. These aspects, together with the proximity of Cramlington and its integration to the competitive city-region of Newcastle, is likely to have an impact on housing.
			Houses in Cramlington are relatively affordable, especially terraces and flats. Prices have moderately grown over the 9-year period, with the notable exception of detached houses (19% growth) and flats (21% decrease).
			The mean house price is higher than the County's average; however, this is explained by expensive detached and semi-detached houses which drive the average price up. Higher prices for the aforementioned two types suggest a strong demand/lack of that particular type in the NA. Therefore, according to Price Paid Data between 2008 and 2017, there is firm demand for detached and semi-detached houses, while terraces and especially flats seem less favored.
Housing Sales (Volume)	Land Registry Price Paid Data for 2007-2016, Census 2001/2011 data, SHMA15		Consequently, we have applied one up arrow to account for the firm demand identified for detached and semi-detached houses.
			Semi-detached and terraced dwellings formed the majority of total sales with 1165 and 1027 sales respectively between 2008 and 2017. Detached dwellings come in third position, with 703 dwellings sold over that period, whilst there have only been a relatively small number of flats sold. The low quantity of flats sold, together with low sale prices for that same type, suggests a deflated demand for flats.
			The stock of different property types in relation to sales in 2017 indicates little discrepancy and a relative equilibrium. Therefore there is no recommendation to alter dwelling targets in the light of market signals relating to quantity data.

Factor	Source(s) (detailed in Chapter 8)	Possible impact on future housing need	Rationale for judgement
Migration	Census 2001/ 2011		Migration is not seen as a significant factor in determining housing need.
Rate of development	Census 2001/ 2011, Northumberland County Council, SHMA15		Completions rates are below the planned targets. Based on the Northumberland Five-Year Supply of Deliverable Sites, Cramlington should have been building 486 dwellings between 2011 and 2017, yet only 291 were built, creating a shortfall of 195. Consequently, there is evidence to demonstrate significant under delivery since 2011 and this market signal indicates the need for additional planned supply.

22. It is crucial to understand the context in which market signals factors should be applied to housing need figures. The purpose of market signals is to provide adjustments to demographic projections, produced by the ONS and MHCLG, based on local factors.
23. However, we have already taken an average of the differing projections above and applied this to the projections, and the average figure of 1,025 dwellings to the end of the Plan Period calculated above *already represents a 31% uplift* on the core demographic projections, which suggest household growth of 784 households in Cramlington to 2030.
24. It seems clear that this figure reflects both the strong assumptions as to household growth (according to past trends) within the 5-year housing land supply, in particular as a result of migration and jobs growth/commuting reductions⁵.
25. Based on the evidence of future jobs growth described above, and the low rates of past delivery in Cramlington against planned targets, our recommendation is that CTC plan for **1087 dwellings to the end of the Plan Period in the NA, or 78 dwellings per annum. This represents a 6% uplift on the average figure calculated above, to reflect our judgement regarding the likely impact of market signals on housing demand over the Plan Period in Cramlington.**
26. Table 1-2 below summarises a range of factors which have been assessed in this HNA and which are likely to have a possible impact on the characteristics of housing needed in Cramlington in future years. We have included our conclusions alongside for clarity.

⁵ SHMA16, pp.133

Types of Housing Needed

Table 1-2: Summary of local factors specific to Cramlington with a potential impact on neighbourhood plan housing characteristics

Factor	Source(s) (see relevant chapters for more detail)	Possible impact on housing needed	Conclusions
Affordable Housing⁶	CHNA	<p>As part of this study AECOM has considered the method employed by Arc4 in the CHNA to answer RQ2; we have not conducted our own separate assessment of Affordable Housing need in the NA.</p> <p>The CHNA follows adopted practice with regards to assessing AH needs, and how this need may be addressed through different tenures.</p> <p>The method described in Appendix C should give CTC confidence that the findings are based on a robust and transparent methodology.</p>	CHNA provides a sound basis on which to develop AH policy in the NA with the sole proviso that CTC should be aware of recent policy developments at the national level, in particular the recent emergence of the consultation draft of the NPPF18. As a result, CTC is able to influence whether Starter Homes do form part of Affordable Housing allocation in the NA, and whether they wish to meet MHCLG's policy expectation that 10% of AH fall into this tenure. We note there is a clear recommendation from the CHNA that Starter Homes do have a role to play.
Demand/need for smaller dwellings	Census 2001/2011, Cramlington HNA 2016, ONS SNPP 2014, MHCLG Household Projections 2014	Whilst the average home is slightly smaller in Cramlington than across Northumberland, 47.7% of homes in Cramlington were 3 bedrooms, versus 43.2% in Northumberland. There were also far more semi-detached homes in Cramlington than in Northumberland, far fewer detached homes. There were also far fewer flats in Cramlington than in Northumberland or England.	The evidence we have assembled suggests there will be a significant need for smaller properties of two bedrooms moving forward, given both the aging population and the preferences of younger households. Such a recommendation, if carried through, would also help to balance the type of housing available in Cramlington, which currently does not have a significant number of flats available, in spite of household demand shown in surveys. Smaller dwellings are likely to best be provided as flats, and such developments may also be able to meet the demand for bungalows from older people.
Demographic change	Census 2001/2011, Cramlington HNA 2016, ONS SNPP 2014, MHCLG Household Projections 2014	The data presented suggests that there will be significant demographic shifts in Cramlington until the end of the Plan Period, with all age groups except those over 65 decreasing in numbers, and those aged 85 and over increasing by up to 50% across Northumberland. This is in line with trends from 2001-2011 in Cramlington which saw all age groups above 45 grow, and those under 45 shrink, with those aged 85 and over growing in the NA by 54.2%.	Demographic change is influenced by a wide range of factors which are likely to be difficult to influence purely through planning policy. Most people under 30 not living with their parents are likely to live in properties of two bedrooms or less, therefore smaller homes, likely to be flats, are most appropriate to attract younger age groups to Cramlington.
Dwelling type	Census 2001/2011,	Survey data suggests that existing households overwhelmingly prefer	In general, the conclusions reached above suggest that flats would be the

⁶ The term 'Affordable Housing' denotes the planning definition set out on page 50 of the National Planning Policy Framework, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf

Factor	Source(s) (see relevant chapters for more detail)	Possible impact on housing needed	Conclusions
	Cramlington HNA 2016	houses, whilst newly forming households overwhelmingly prefer flats. This is particularly problematic given the low proportion of flats in the NA described above. Older households may prefer bungalows, but these are in relatively short supply, with just 10% of the housing stock represented in bungalows according to survey data.	most appropriate type of housing to build in Cramlington. However, it is worth considering whether some form of ground floor access accommodation could be provided in blocks of flats to meet the needs (and aspirations) of older residents, given that these are not materially different to bungalows.
Family-sized housing	Census 2001/2011, Cramlington HNA 2016	Families with children living at home (i.e. dependent) comprise a slightly smaller proportion of the population of Cramlington (23.1%) as those with no children (23.6%). There is a significant proportion of the housing stock made up of 3 bedroom homes, but a slight lack of smaller homes.	We do not consider there to be a significant need for family-sized housing going forwards in Cramlington, given that the projected household changes in Northumberland show very significant increases in one and two person households, and quite significant decreases in larger households including families.
Housing for independent living for older people	Census 2001/2011, Cramlington HNA 2016, HLIN	There is likely to be a significant demographic shift in the population, potentially more than doubling the number of people aged 75+ in Cramlington. However, current provision rates are less than 60% of the national average for specialist housing excluding care homes.	We would recommend that CTC plan for 203 additional specialist dwellings, or approximately 10 per annum until end of the Plan Period. At this scale, a specialist, dedicated development could be envisaged, such as a retirement village or other co-housing type project, although bungalows and ground floor flats may also be able to suitably house older people so as to encourage their independence for longer.

Recommendations for next steps

27. This neighbourhood plan housing needs advice has aimed to provide CTC with evidence on housing trends from a range of sources. We recommend that CTC should, as a next step, discuss the contents and conclusions with NCC with a view to agreeing and formulating draft housing policies, in particular the appropriate approach to identifying the level of need for new housing in the NA, bearing the following in mind:

- Neighbourhood Planning Basic Condition A, that it has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the neighbourhood plan contributes to the achievement of sustainable development; and Condition E, which is the need for the neighbourhood plan to be in general conformity with the adopted strategic development plan;
- the views of NCC – in particular in relation to the housing need figure that should be adopted in the context of the eLP and changing guidance at a national level;
- the views of local residents;
- the views of other relevant local stakeholders, including housing developers;
- the numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by NCC, including but not limited to the SHLAA;
- the findings and recommendations of this study; and

- the impact of the new Government proposed standard methodology on calculating housing need on the County and its neighbourhoods.
28. Recent changes to the planning system, changes to the NPPF, as well as the implementation of the Housing and Planning Act, will continue to affect housing policies at a local authority and, by extension, a neighbourhood level.
 29. This advice note has been provided in good faith by AECOM on the basis of housing data and national guidance current at the time of writing (alongside other relevant and available information).
 30. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the NCC or any other relevant body and review the neighbourhood plan accordingly to ensure that general conformity is maintained.
 31. At the same time, monitoring on-going demographic or other trends over the period in which the neighbourhood plan is being developed (factors summarised in Tables 1-1 and 1-2), may trigger a review of the policy position adopted in the draft NP in light of changes in key indicators.

2. Context

2.1 Local context

32. Cramlington is a town in South East Northumberland, in the North East of England. It was originally a coal mining community before the development of the new town in 1964. It is also a garden town with many green spaces.
33. Cramlington sits on the border between Northumberland and North Tyneside with the traffic interchange at Moor Farm, Annitsford, linking the two areas. The town is located 9 miles north of Newcastle upon Tyne, with good transport links. The civil parish is served by Cramlington Railway Station which is on the East Coast Main Line, with services to the MetroCentre, Morpeth and Newcastle upon Tyne provided by Northern Rail. It is also served by a number of bus operators including Arriva North East which provides express services to Newcastle upon Tyne, Morpeth and Blyth, as well as Go North East which runs services to and from North Shields. The town is located approximately 12 mi (19 km) from Newcastle International Airport and 10 mi (16 km) from North Shields International Ferry Terminal. Cramlington also has good road transport links, being situated between the A1, A19 and A189 roads.
34. In accordance with Regulation 7 of the Neighbourhood Planning (General) Regulations 2012, the civil parish of Cramlington was designated by Northumberland County Council as the 'Cramlington Neighbourhood Area' for the purposes of neighbourhood planning under Section 61G(1) of the Town and Country Planning Act 1990. The plan covers the whole of the parish and is depicted in Figure 2-1 below, with the Town Council becoming responsible for preparing the neighbourhood plan for the area.

Figure 2-1: Cramlington Neighbourhood Plan Area



Source: Northumberland County Council

2.2 Planning policy context

35. In line with the basic conditions of Neighbourhood Planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies. Consequently, there is a requirement for the relevant Local Plan to be reviewed as part of this HNA.

2.3 Northumberland Core Strategy (July 2017)

36. The **Northumberland Local Plan: Core Strategy Pre-Submission Draft Plan** was until recently the most up-to-date Development Plan Document setting out the proposed strategic planning policies of the council to guide future development and planning decisions in Northumberland up to 2031. However, at a meeting on 5th July, members of

the council's conservative group in the newly formed NCC submitted a motion to withdraw the Northumberland Local Plan Core Strategy from Government.

2.4 Northumberland Consolidated Planning Policy Framework

37. NCC was established as a unitary authority on 1 April 2009 following Local Government Reorganisation. It replaced the former County Council and six District/Borough Councils of Alnwick, Berwick, Blyth Valley, Castle Morpeth, Tynedale and Waskbeck, although Cramlington was already in the Northumberland County.
38. The former Northumberland Local Planning authorities had produced their own Development Plans to guide development in their area. These policies have been saved and will continue to provide the basis for planning decisions until they are replaced by the new LP. These documents, together with any made Neighbourhood Plans, have been brought together to form the 'Northumberland Consolidated Planning Policy Framework'.
39. However, the list of relevant planning policy documents related to Cramlington for the purpose of this HNA are non-existent and the only available documents are the Northumberland Waste Local Plan and the Minerals Local Plan.

2.5 Northumberland emerging Local Plan (eLP)

40. A Local Plan document is currently being prepared by the Council which will cover the period 2016-2036. It will include the planning policies that will be used to guide and determine future planning applications in Northumberland detail the scale and distribution of new development and include land allocations and designations.
41. The emerging Local Plan is not at a sufficiently advanced stage such that a housing target has been identified. Therefore it is not possible to derive a projection for the NP from the eLP at this point in time.

3. Approach

3.1 Research Questions

42. HNA at NA level can be focused either on quantity of housing needed, type of housing need, or both. In most cases, there is a need to focus on quantity where the housing target for the settlement being assessed is unclear, for example where the local authority has not set a specific target for the settlement, or where there is no LP in place. Research Questions, abbreviated to 'RQ,' are arrived at the start of the project through discussion with CTC. They serve to direct our research and provide the structure for the HNA. The key research questions can be summarised as follows:

3.1.1 Quantity

43. We note that NCC and CTC commissioned consultants aAc4 to produce a HNA for Cramlington (published in 2016); this document relied on the now withdrawn Northumberland Core Strategy housing figure of 3,820 dwellings but does not ratify this number through an independent assessment⁷.
44. However, as a result of NCC's decision in July 2017 to withdraw this Draft Submission Local Plan in order to allow for new data and 'changes to statute and the contents of the Housing White Paper'⁸ (in particular the expected adoption of the standardised methodology for calculating housing need), the policy context in which CTC's neighbourhood plan is emerging is in flux. NCC has however signalled the direction of travel, speculating that 'less houses may be required than are currently proposed in the Core Strategy.'⁹
45. Moreover, with regards to the standard method we note that, in tables published by MHCLG, the projected annual housing need in Northumberland has fallen from 830 to 707 dwellings¹⁰, supporting NCC's revised position that the OAN for housing at the county level should be brought down.
46. Notwithstanding at the current time, NCC is unable to provide CTC with an explicit HNF for the purposes of developing its NDP and has requested that CTC revisit the figure set out in the current draft.
47. The rationale for this HNA is therefore to provide CTC with a HNF employing the most recent available data; this should, for the purpose of comparison, include a calculation based on MHCLG's standard method, and leads to the following research question:

RQ1: What quantity of housing in the Plan Area is appropriate over the Plan Period?

3.1.2 Tenure

48. While the Cramlington HNA 2016 looked into detail at tenure split, CTC feel it would be helpful to have an independent review of the methodology that was followed, to give the Town Council confidence that it is robust, particularly as this may be challenged.

RQ2: Does the methodology followed in the Cramlington HNA2016 provide a robust evidence base to support policy in the Neighbourhood Plan that guides how new build developments should be split into different tenures of market and affordable homes?

3.1.3 Type and Size

49. CTC would like the HNA to explore the question of type and size of dwellings, building on the evidence in the arc4 study where appropriate. Market data, for example, suggests an under-supply of bungalows. In addition, CTC supports a policy of 'sustainability through growth,' essentially an umbrella policy that seeks a demographically balanced population, one able to support a full range of services and facilities within Cramlington.
50. Therefore CTC is interested in evidence to support policy geared to delivering a broader range of types and sizes of dwellings, in particular those suited to segments that are perceived as under-served by the market, such as the elderly and newly forming households (i.e. households formed when young people leave their family home).

⁷ We assume this was outside the scope of their work, given that emerging Local Plan policy at the time seemed explicit as to the HNF for Cramlington

⁸ NCC Position Statement Following withdrawal of the Draft Core Strategy, November 2017

⁹ *ibid*

¹⁰ MHCLG, Housing need consultation data table

3.3.2 Other relevant data

56. To assess the housing market in the Cramlington NA, data from the Land Registry was analysed. This data provides price paid, housing type and date of transaction information which allows housing market trends to be identified. This data was collected to create a database including all housing transactions registered with the Land Registry between 1st January 2007 and 31st December 2017 within the boundary. We have also utilised other data, specifically monitoring data on dwelling completions data from NCC.

4. Quantity

RQ1: What quantity of housing in the NA is appropriate over the Plan Period?

58. We have estimated the quantity of housing needed in the NA according to four different sources, including:
1. A housing needs projection based on Northumberland Five-Year Supply of Deliverable Sites, which produces a target of 1,338 dwellings over the Plan Period (2017 – 2031);
 2. MHCLG household projections, totalling 1,807 dwellings (rounded) over the Plan Period; and
 3. A projection derived from dwelling growth between 2001 and 2017, which generates 441 dwellings over the Plan Period.
59. These calculations are set out below.

4.1 Northumberland Five-Year Supply of Deliverable Sites

60. Given the withdrawal of the Northumberland Core Strategy, NCC has calculated an OAN using the most up-to-date official 2014-based household projections which were adjusted to take into account long-term migration trends and jobs growth. This OAN is stated in the Northumberland Five-Year Supply of Deliverable Sites (YHLS 2017-2022) for the purposes of calculating a five-year housing land supply. This equates to 18,880 dwellings over the period 2011 to 2031, an annual average of 944 dwellings per annum.
61. The proportional share may be calculated for Cramlington based on the proportion of homes in the NA. At the time of the last Census there were 12,556 dwellings in the NA, or 8.63% of all homes in the NCC. Therefore, 1,629 homes (8.63% of 18,880) homes should be allocated as the 'fair share' of the borough target.
62. In arriving at a final total for Cramlington, it is important to take into consideration that 291 dwellings were built between 2011 and 2017 in the NA. Allowing for these completed dwellings, a housing target for the NA that is in conformity with the OAN would be **1,338 dwellings (1,629 - 291) between 2017 and 2031 or 96 homes per year (rounded)**.

4.2 MHCLG household projections

63. MHCLG publishes household projections every two years. The PPG recommends that these household projections should form the starting point for the assessment of housing need.
64. The most recent (2014-based) household projections were published in July 2016¹², and extend to 2039. Although population projections are only available at a local authority level, a calculation of the share for the NA is nevertheless possible for the household projections based on the NA's household numbers in the 2011 Census.
65. According to the 2011 Census, Northumberland had 138,534 households and the NA 12,534 households, or 9.05% of the total (rounded).
66. In the 2014-based household projections, the projection for 2031 is 150,317 households in Northumberland or an additional 11,783 households. Assuming it continues to form 9.05% of the NCC's total, the NA's total number of households in 2031 would be 13,600 (rounded); therefore 1,066 new households will form in the NA between 2011 and 2031 (or a rate of growth of 53 households per year).
67. The number of households does not, however, equate precisely to the number of dwellings needed, with the latter slightly higher in most places. The NA is no exception; in the 2011 Census, there were 12,534 households but 12,769 dwellings. This gives a ratio of 0.98 households per dwelling. In the case of NA, then, a projection of 1,066 new households (between 2011 and 2031) translates into a need for 1,088 dwellings (1,066/0.98, rounded to the nearest whole number).
68. These figures are based on the assumption that the 2014-based projections as to household growth at the Local Authority level are accurate. As the annual mid-year population estimates have now been released for 2016, the 2014-based household projections may need to be 'rebased' for accuracy. The mid-2016 population estimates give the actual number of people in the LA at that point, meaning the difference between the estimated and the previously projected number of households can be taken into account in future projections.

¹² See 2014-based MHCLG Household Projections live tables at <https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections>

69. The 2014-based household projections were based on the 2014-based Sub-National Population Projections, which estimated that by 2016 there would be 316,287 people in Northumberland. The mid-2016 estimates show that based on the latest information there were estimated to be 316,002 people, which is lower than the projections by 285 people. Assuming average household sizes remain constant (in 2011 there were an average of 2.28 people per household, obtained by dividing population by number of households) this equates to 125 fewer households across Northumberland.
70. Taking 150,192 (150,317 - 125) as our revised household number in 2031, and assuming it continues to form 9.05% of the NCC's total, the NA's total number of households in 2031 would be 13,589 (rounded), producing a revised growth in the number of households between 2011 and 2031 of 1,055.
71. Taking into account the disparity between household numbers and dwelling numbers, a projection of 1,055 new households between 2011 and 2031 translates into a need for 1,075 dwellings. Netting off the 291 dwellings completed (including New Build, Change of Use and Conversion) between 2011 and 2017, we arrive at a re-based household projections-derived dwellings of **784 dwellings (rounded) until 2031 or 56 dpa (rounded) over the Plan Period**.
72. This projection is an entirely unconstrained, theoretical figure comprising a relative proportion of the overall projected increase, and thus does not take into account political, economic, demographic or any other factors that might have influenced, or may influence in the future, the Local Plan distribution of housing in Northumberland.

4.3 Dwelling growth 2001 – 2011

73. Consideration of home growth between 2001-2011 provides a projection based on the rate of delivery of net new homes between the two Censuses. There was an increase of 213 dwellings in the NA between these two dates, or an average annual rate of increase of 21 homes. Multiplying this annual figure by the number of years from 2017 until the end of the Plan Period would produce **298 homes**.

4.4 Dwelling growth 2011 - 2017

74. It is also helpful to consider a projection based on the rate of delivery of net new homes since the last Census (2011), using data gathered and monitored by the LPA. As we have seen, between 2011 and 2017, 291 new dwellings were completed (including New Build, Change of Use and Conversions). This equates to an annual rate of delivery of 49 homes. If this rate of delivery was continued to 2031, this would equate to a projection **of 679 homes from 2017 to the end of the Plan Period**.

4.5 Dwelling growth 2001-2017

75. It is important to note the disparity between the two 'home growth' figures; this reflects the susceptibility of the development industry to fluctuations in demand and costs of development, among other factors. To allow for these peaks and troughs, and provide a more realistic picture of the quantum of development that could be delivered over the Plan Period, we have taken the aggregate of the homes growth between 2001 and 2017; this comes to 504 (213 + 291) dwellings. Expressed as an annual average rate, this is 32 dpa. This produces projection derived from homes growth between 2001 and 2017 of **441 homes over the remaining Plan Period**.

4.6 The Standard Methodology

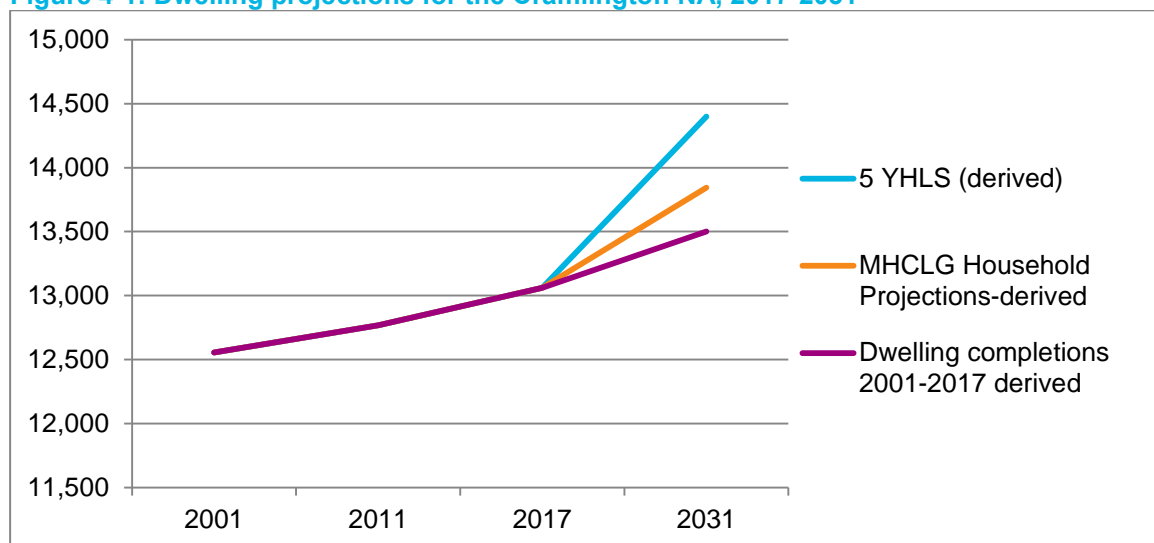
76. On 14th September 2017, MHCLG published 'Planning for the right homes in the right places: consultation proposals' (the consultation proposals), a consultation on a new proposed Standard Methodology for Assessing Housing Need (SMAHN) for arriving at an OAN for housing for individual local authorities, thus avoiding both the expense of producing complex SHMAs and the disagreements surrounding their methodologies. MHCLG has stated that *"this consultation sets out a number of proposals to reform the planning system" including "how neighbourhood planning groups can have greater certainty on the level of housing need to plan for"*¹³.
77. Whilst the document is currently being consulted on at the time of this HNA report, it is important to consider the implications of this emerging policy guidance for potential housing need calculations in the NA. Therefore, what follows is an assessment of the NA's housing need based on the new proposed methodology which, should the policy be put in place in its current form, will be the preferred figures for housing need in the area. This projection is included for information only, bearing in mind that the consultation makes clear that LPAs will have the option of using

¹³ <https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

alternative methods of calculating their OAN, so long as the number they arrive at exceeds that produced by the new standard methodology.

78. Proposed updates to the PPG include a requirement that LPAs provide a housing need figure to neighbourhood planning groups, and that they may do this by making a reasoned judgement based on the settlement strategy and housing allocations in their plan, so long as the Local Plan provides a sufficiently up-to-date basis to do so¹⁴. The starting point for using the SMAHN for the neighbourhood level is therefore whether the current Local Plan was adopted before or after the introduction of the NPPF.
79. In the case of Northumberland, the indicative assessment using the SMAHN formula is 707 dwellings per annum for Northumberland. Building on this proposed approach, we can estimate that the annual requirement for NA, based on the proportion of the population of Northumberland falling into the NA, would be 66 dwellings per annum (rounded), or 1,316 dwellings by the end of the Plan Period to 2031. If the 291 dwellings built between 2011 and 2017 are taken into account, that number would be **73 dwellings by the end of the Plan Period**.
80. The projections outlined above produce an average projection of **1,025 dwellings in the Cramlington NA by 2031, or 73 dwellings per annum**. These projections are shown in Figure 4-1 below.

Figure 4-1: Dwelling projections for the Cramlington NA, 2017-2031



Source: AECOM Calculations

¹⁴ MHCLG, planning for the right homes in the right places: consultation proposals, page 31

5. Tenure

RQ2: Does the methodology followed in the arc4 HNA provide a robust evidence base to support policy in the Neighbourhood Plan that guides how new build developments should be split into different tenures of market and affordable homes?

81. Chapter four of the CHNA sets out a methodology for arriving at an assessment of overall need for Affordable Housing, and proceeds to break this number down to different tenures. Its starting point is the needs assessment model advocated by MHCLG in PPG. This approach remains adopted practice at the time of writing and is frequently used in SHMAs to determine affordable housing requirements at the Local Authority level.
82. The chapter identifies the number of households in need at the moment and, using this as a starting point, looks at affordable housing requirements based on the series of steps recommended in PPG; the study then goes on to put forward a recommended split of tenures based on tenure preferences drawn from data gathered as part of the Household Survey.
83. This in turn is subjected to sensitivity testing by developing affordability thresholds. On account of the relative affordability of dwellings in Cramlington, the study suggests various tenures, both affordable and market, are effective in providing households with access to dwellings suited to their needs. For households on median incomes, a range of tenures are affordable, including within the private rented sector (PRS).
84. CHNA makes use of the findings from the Household Survey to identify gross need across both general housing and housing for older people and recommends, not unreasonably, that the patterns identified are used as the basis for determining AH need over the Plan Period. It is also acceptable to extrapolate this forward over the Local Plan Period.
85. Chapter 4 of the CHNA is a summary of Appendix C; this describes the housing needs calculations in some detail and should give CTC confidence the findings are based on a robust and transparent methodology.
86. The HNA devotes some time to an analysis of the suitability of Starter Homes. It is worth noting the CHNA was written before the Government's Housing White Paper; this document qualified the requirement, put forward when the policy was initially floated, that a certain proportion of Affordable Homes should be Starter Homes; instead, the White Paper expresses a 'policy expectation' that housing sites deliver a minimum of 10% affordable home ownership units.¹⁵
87. At the time of writing, MHCLG has published the consultation draft of the NPPF18; this document introduces some of the ideas set out in the Housing White Paper into national policy, including clarification of the Government's position on Starter Homes and other tenures designed to help people achieve home ownership. The document puts in place a definition of Affordable Housing as *"housing that is provided for sale or rent to those whose needs are not met by the market (this can include housing that provides a subsidised route to home ownership and/or is for essential local workers)"*¹⁶. While only a consultation draft, given prominence accorded to this approach in the White Paper, it is likely the changes to policy in respect of the revised definition of Affordable Housing will be retained in the final draft.
88. As regards the expectation that local areas will deliver Starter Homes, in paragraph 65 of the NPPF18, 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"*¹⁷. In line with PPG¹⁸, the assumption should be that 'major housing development' can be defined as sites of more than 10 units, and that affordable home ownership includes starter Homes, shared ownership homes and homes available for discount market sale.
89. The implication of these changes for CTC is simply that they are able, should they wish to do so, to influence whether Starter Homes do form part of AH allocation in the NA, and whether they wish to meet MHCLG's policy expectation that 10% of AH fall into this tenure. Needless to say, there is a clear recommendation in the CHNA that they do have a role to play.
90. Finally, the reliability of the findings depend in large part on the robustness of the underlying data – the Household Survey. The response rate of 19.3% presented in the study is an acceptable sample given the size of the resident population, although the group may wish to check that those who took part were sufficiently representative of the population as a whole.

¹⁵ MHCLG, Fixing our broken housing market (2017), pp 59

¹⁶ NPPF(18) pp 62

¹⁷ NPPF(18) pp 17

¹⁸ PPG 031 Reference ID: 23b-031-20161116

6. Type and size

RQ3: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate?

6.1 Background and definitions

91. Before beginning our consideration of type and size, it is important to understand how different types of households occupy their homes. Crucially, household 'consumption' of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth and income, with age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability¹⁹.
92. In this context, even smaller households (those with smaller numbers of inhabitants, including just one or two people) may be able to choose to live in larger homes than their needs would suggest, and thus would be defined in Census terms as under occupying their homes. This is a natural feature of the housing market, although it can make considerations of future housing needs as much a matter of market dynamics and signals, as of demographics and household type and size projections in future years.
93. In order to understand the terminology surrounding size of dwellings, it is important to note the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls; and to be clear that data on dwelling size is collected on the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' should be translated as follows²⁰:
 - 1 room = bedsit
 - 2 rooms = flat/house with one bedroom and a reception room/kitchen
 - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
 - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
 - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
 - 6 rooms = house with 2 bedrooms and 2 reception rooms and a kitchen, or 3 bedrooms and one reception room and a kitchen
 - 7+ rooms = house with 3, 4 or more bedrooms
94. It is also useful to clarify somewhat the Census terminology around dwellings and households spaces, which can be confusing in the context of flats, apartments, shared and communal dwellings, and houses in multiple occupation, types which may typically fall into the private rented sector. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained²¹, and as such all dwellings are classified into either shared or unshared dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.
95. The key measure of whether a dwelling is shared or unshared relates to the Census' definition of a household. A household is defined as *"One person living alone or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area."*²² On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.
96. It is unlikely that these issues are of particular relevance to Cramlington, given that their main applicability is to students and other people likely to be sharing homes. Indeed, just 6.2% of people in Cramlington were students in 2011, slightly higher than the average across Northumberland, which was 5.7%, but much lower than the average across England, which was 9.2%. Similarly, just 3.8% of households in Cramlington were composed of more than one family, in line with the County average, but much lower than the average across England (8%). Still, it is helpful to understand these terms as a background to the data in this chapter.

¹⁹ SHMA15, pp.130, para 8.5

²⁰ <https://www.nomisweb.co.uk/Census/2011/qs407ew>

²¹ <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

²² Ibid.

6.2 Existing types and sizes

97. As identified earlier in this study, PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future as well as current community need. For this reason, we start with a consideration type and size within the existing housing stock in Cramlington.
98. Table 6-1 below shows the relative split between types of houses, as defined by the Census, in Cramlington in comparison to Northumberland and England. The data shows the extent to which the housing stock of Cramlington differs from what is typical across Northumberland, much of which is more rural than Cramlington. In this context then, it is not surprising that Cramlington has a far higher proportion of semi-detached homes (40%) than Northumberland (24%), whereas Northumberland has far more detached homes. Levels of terraced homes were not dissimilar across the two geographies, however slightly more surprising was the higher proportion of flats across Northumberland than in Cramlington. This may be as a result of larger towns and urban areas, which typically have more flats, skewing the data, but this does not seem to fit with the relatively rural character of Northumberland as a whole.

Table 6-1: Types of dwellings, 2011

Dwelling type		Cramlington	Northumberland	England
Whole house or bungalow	Detached	26.5%	37.0%	22.4%
	Semi-detached	39.5%	24.1%	31.2%
	Terraced	26.4%	22.6%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	5.1%	11.4%	16.4%
	Parts of a converted or shared house	2.0%	2.7%	3.8%
	In commercial building	0.5%	1.2%	1.0%

Source: Census 2011

99. It should be noted that this Census-derived data only covers homes and dwelling spaces (i.e. homes in a shared dwelling) that are occupied, and does not cover vacant or second homes.
100. It is also interesting to note that the Census data does not separate bungalows from other types of homes, although to some extent these might be referred to as a separate category of housing. Indeed, on this basis, the recent HNA for Cramlington prepared by Arc4 surveyed residents in Cramlington, and was able to determine that fully 9.6% of properties in the town were bungalows. The data produced by this survey is also more up-to-date (2016) than the Census (2011), and used council tax records to show that there were 12,688 dwellings occupied by households in the town, up by 154 from 12,534 in the 2011 Census. However, like the Census data, this only covers occupied dwellings.
101. The data below allows us to consider a broad picture of the size of the housing stock in Cramlington and Northumberland, using the definition of rooms discussed above, rather than the more typical number of bedrooms, thus allowing a more finely grained understanding of the housing stock. This data also applies only to occupied dwellings. Table 6-2 below considers the total number of rooms in each household, that is, the self-reported count of the number of rooms available to each household in the Census, including kitchens but excluding bathrooms.

Table 6-2: Household spaces by number of rooms, 2011

Number of Rooms	Cramlington	Northumberland
1 Room	0.4%	0.2%
2 Rooms	1.4%	1.2%
3 Rooms	5.1%	7.3%
4 Rooms	22.7%	20.6%
5 Rooms	26.7%	25.2%
6 Rooms	21.6%	19.6%
7 Rooms	11.1%	10.9%
8 Rooms or more	11.1%	15.1%

Source: Census 2001/2011, AECOM Calculations

102. Broadly, homes are of a similar size in Cramlington as the LA average, with only slightly less homes above 6 rooms (likely to be a 3-4 bedroom house) at a total of 43.7%, versus the LA (45.5%). The distribution of homes across these

size groups is more notable however, with Cramlington having more 3 room (typically 1 bedroom homes than Northumberland, and fewer 4 room homes, and slightly more 4 and 6 room homes and significantly fewer homes of 8 rooms or more than Northumberland.

103. It is particularly useful then to cross reference this data with Census estimates of the number of bedrooms for each household in Cramlington and Northumberland. Table 6-3 below summarises the proportion of households occupying each size of home in terms of number of bedrooms only. This data suggests that there are more 3 bedroom homes and fewer larger homes than across the LA. This surely reflects the relatively rural character of Northumberland. The need for larger homes of 4+ bedroom is discussed in more detail below.

Table 6-3: Number of bedrooms in household spaces, 2011

Number of bedrooms	Cramlington	Northumberland
1 bedroom	6.2%	7.9%
2 bedrooms	29.4%	29.4%
3 bedrooms	47.7%	43.2%
4 bedrooms	13.8%	14.9%
5 or more bedrooms	2.9%	4.5%

Source: Census 2011

104. In terms of housing need, it is relevant to consider whether it is the number of rooms overall that is the more important measure of housing size, or the number of bedrooms. On the one hand, additional rooms may be converted for use as extra bedrooms where necessary. However, this is more likely to be true in larger homes where there is more overall flexibility in terms of space, and the data above suggests that the vast majority of 1-3 room homes have only one bedroom, with relatively greater constraints on potential conversion to accommodate a second bedroom in a purpose-built living room for example.
105. Furthermore, recent research by the ONS suggests that the data on rooms collected by the Census may not be particularly accurate due to a lack of understanding by Census respondents as to which rooms should be included in the count, with the Census Quality survey suggesting that up to 30% of past responses may not have been accurate²³. For this reason, the ONS is now trialling new methods of collecting this data, namely based on Valuations Office Data (VOA, collected for the purposes of calculating council tax), in preparation for the 2021 Census.
106. Indeed, in this context, it is helpful to consider data from Arc4's previous Cramlington HNA 2016. This suggested a slightly different size profile in terms of bedrooms than the Census found. Whilst there has been household growth of 154 households between 2011 and 2016 in Cramlington (and perhaps some alterations and additions to housing), neither of these is likely to explain entirely the different figures shown in Table 6-4 below. Rather, it is likely more in relation to the confusion relating to survey questions of house size noted above. Arc4's survey suggested overall that housing in Cramlington was slightly larger than the results of the Census would suggest, with in particular more three and four bedroom homes.

Table 6-4: Comparison of Arc4 Survey and ONS Census data on number of bedrooms

Number of bedrooms	Cramlington – Arc4 Survey 2016	Cramlington – ONS Census 2011
1 bedroom	7.1%	6.0%
2 bedrooms	25.8%	29.4%
3 bedrooms	49.5%	47.7%
4 ore more bedrooms	17.6%	16.7%

Source: Cramlington HNA 2016, Census 2011

107. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. This data is presented in Table 6-5 below, and shows quite clearly that there has been a reduction in the number of all but the largest homes (comprising 7 rooms or more) in Cramlington. Indeed, the total increase in the 7+ room (usually a 4-5 bedroom house) segment was 735 homes, in spite of there being just 213 net additions to the

²³<https://www.ons.gov.uk/Census/Censustransformationprogramme/progressanddevelopment/questiondevelopment/estimatingthenumberofroomsandbedroomsinthe2021Censusinenglandandwalesanalternativeapproachusingvaluationofficeagencydata>

dwelling stock. This suggests that smaller homes may have been replaced with larger homes, and that some mid-sized homes may have been extended to become larger with additions and conservatories, both of which are counted in the Census as rooms if they create a separate living space.

Table 6-5: Households by number of rooms (including living spaces), 2001-2011

Number of Rooms	Cramlington	Northumberland
1 Room	-20.7%	-38.6%
2 Rooms	-5.4%	-18.7%
3 Rooms	-6.3%	7.2%
4 Rooms	-7.2%	-2.4%
5 Rooms	-5.1%	-1.6%
6 Rooms	-2.5%	3.2%
7 Rooms	27.7%	20.6%
8 Rooms or more	45.6%	35.6%

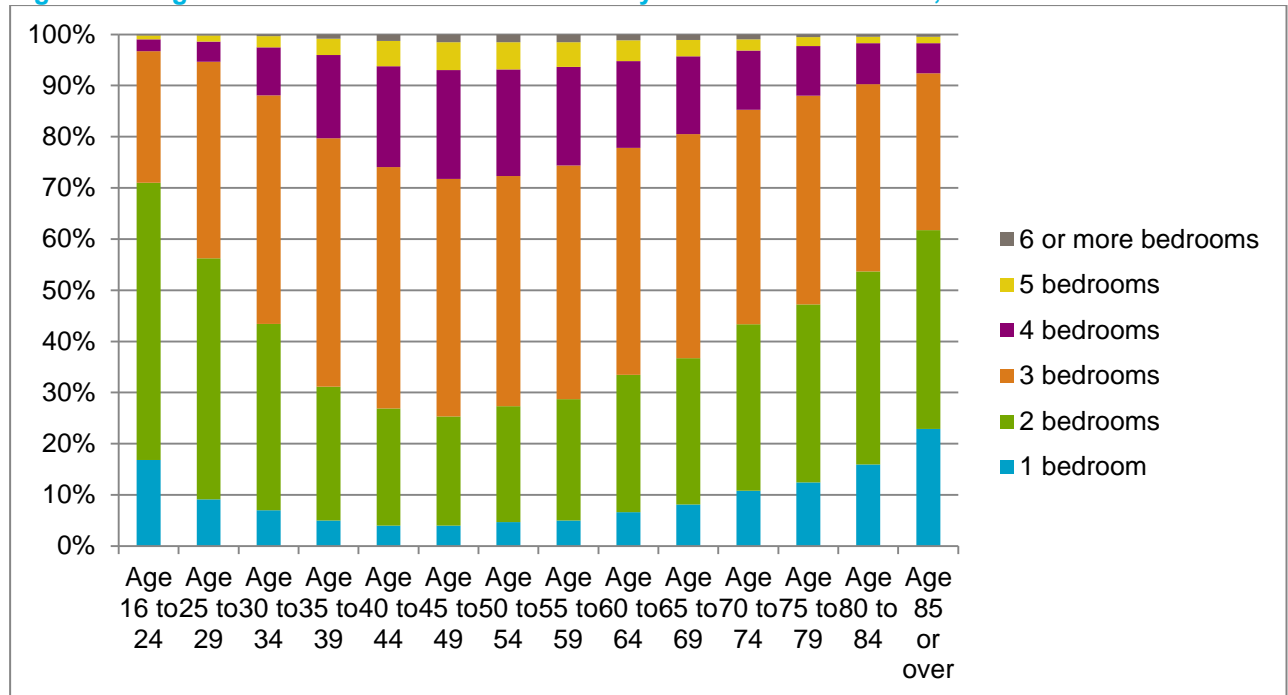
Source: Census 2001/2011, AECOM Calculations

108. This picture differed slightly from the picture across Northumberland, which saw more dramatic declines in the very smallest of homes (comprising 1 and 2 rooms), but an increase in homes of 3 rooms (likely to be a modern, 1 bedroom flat with a kitchen and a living room), and smaller increases in larger homes of 8 rooms or more (though this was from a higher base, as homes tended on average to be larger in Northumberland than Cramlington already, as noted above).
109. It is fair to say that such increases are as a result of market demand for larger homes, given what has been discussed above about factors affecting the way that households occupy dwelling spaces. In fact, the average household size actually decreased in Cramlington from 2.5 people in 2001 down to the level across Northumberland of 2.3 people in 2011. In this context, market demand is likely to be as significant a factor influencing the type and size of housing required to be delivered in Cramlington as needs arising from demographic and cultural factors such as household size, type and the age structure of the population. The NPPF sets out clearly the justification for doing so, and makes clear planners should consider *“the mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community”*²⁴, and so below, we consider these factors in turn.
110. In summary, homes in Cramlington are slightly smaller than the average for Northumberland, although in recent years the number of larger homes (4-5 bedrooms) has increased markedly (rising from 16.5% of the total housing stock in 2001 to 22.1% in 2011), bringing it more closely in line with Northumberland as a whole (25.9%) in terms of the average size of homes.

6.3 Demographic factors affecting the type and size of housing required

111. The evidence assembled below seeks to populate a series of ‘key indicators’, including the household composition and age structure of the population, both now and how they are likely to change in future years. Through a consideration of these trends and how they interrelate to each other, it is possible to consider how the type and size of housing in Cramlington should be influenced through planning policy.
112. First we consider age structure in the NA, as age is a key demographic factor underlying the size of housing that people tend to occupy. The table below shows data for the whole of Northumberland, indicating how different household reference persons (the head of the household for Census purposes) in different age groups occupy homes of different sizes.

²⁴ NPPF Paragraph 50

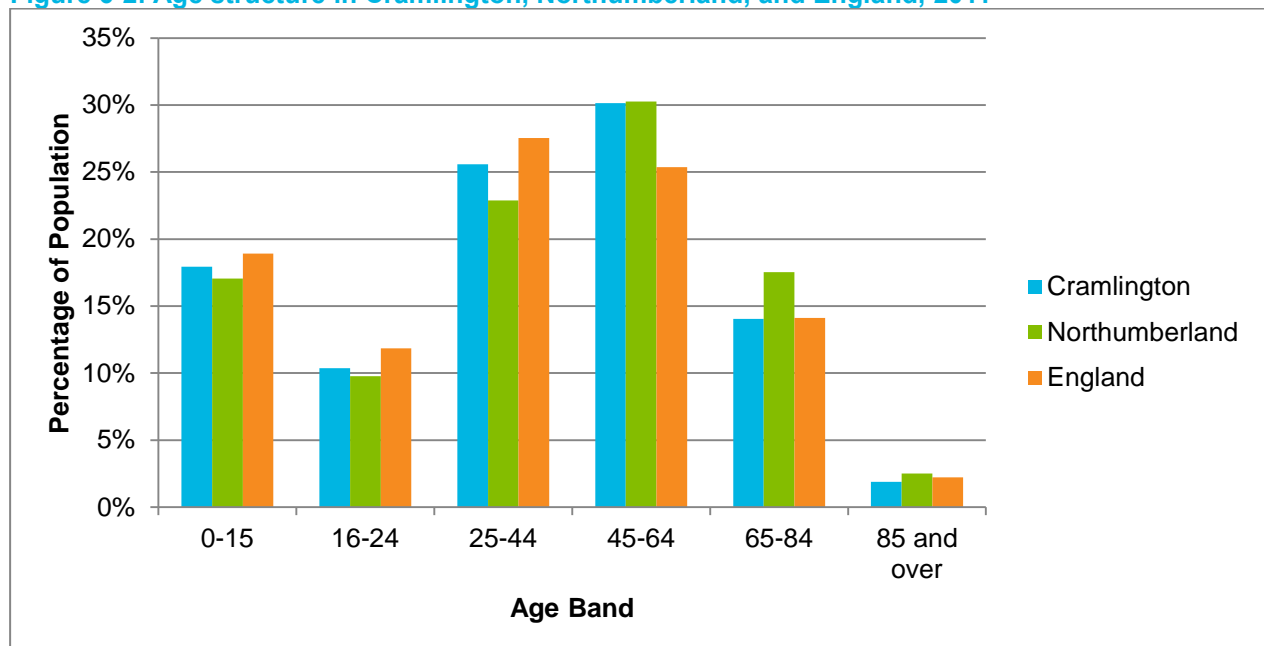
Figure 6-1: Age of Household Reference Person by Number of Bedrooms, Northumberland 2011

Source: Census 2011, AECOM Calculations

113. The data in Figure 6-1 above is not available down to the individual town or parish level, but still provides clear evidence of how households of different ages occupy housing. Those aged under 30 are more likely to occupy homes of 2 bedrooms or less, as are those aged 80 and over. Other age groups tended to occupy 3 bedroom houses on average, although after the age of 50, people have chosen to down-size into smaller homes, with the number of 1 bedroom properties in particular increasing in those over 50.

Current age structure

114. Below we present Census 2011 data on the age structure of the population of the Cramlington NA. In general, Figure 6-2 below shows that Cramlington's population is more similar in age structure to the average for England than the rest of Northumberland, in particular in relation to the number of children (0-15) and people aged 25-44. In terms of people aged 16-24 however, Cramlington was more in line with the average for Northumberland.

Figure 6-2: Age structure in Cramlington, Northumberland, and England, 2011

Source: Census 2011

115. Also notable is that whilst the population of Cramlington aged 45-64 was similar to Northumberland, this was not the case for those aged 65 to 84. This suggests that the aging of the population (i.e. the rate at which the balance of the population is shifting towards older people and the number of people reaching pension age) was more pronounced across Northumberland in recent years than in Cramlington. However, the very high number of people aged 45-64 suggests that over the next 20 years a very large number of people will reach state pension age.
116. It is useful then to consider the rate of change of different age groups in the population. In fact, Cramlington has seen very large increases in the population aged 64+, much larger than in Northumberland as a whole, and the same for those aged 85 over. It is reasonable to suggest that much of this change may be as a result of people living longer in recent years, particularly as mining activities, which was prevalent in Cramlington in the past, have decreased.

Table 6-6: Rate of change in the age structure of the population of Cramlington, 2001-2011

Age group	Cramlington	Northumberland	England
0-15	-15.8%	-7.0%	1.2%
16-24	-11.3%	7.1%	17.2%
25-44	-17.0%	-12.1%	1.4%
45-64	6.0%	13.7%	15.2%
65-84	42.6%	15.0%	9.1%
85 and over	56.2%	34.6%	23.7%

Source: Census 2011

Future age structure

117. We then turn to the future changes in the age structure of the population in Cramlington. Whilst the ONS does not produce population estimates for individual towns or parishes, it is fair to say that the changes experienced across the County are relatively likely to affect Cramlington.
118. Indeed, the shifts shown below appear to be relative continuations of the trends seen over the intercensal period, with decreases in all age groups except those aged 65 and over.
119. The projections point clearly towards the effects of an aging population in Northumberland and in Cramlington, particularly as people live longer and have fewer children. These trends certainly exist at national level (note above that the highest increase in age groups across England was amongst those aged 85 and over, at 23.7% over the intercensal period). However, the data assembled here makes it quite clear that these trends are more pronounced in Northumberland, and potentially even more pronounced than that in Cramlington itself.

Table 6-7: Projected population change by age group, 2014-2031

Age group	Northumberland	
	Increase	%
0-15	-3,200	-7%
16-24	-3,400	-11%
25-44	-3,400	-5%
45-64	-14,800	-18%
65-84	22,200	26%
85 and over	7,900	50%

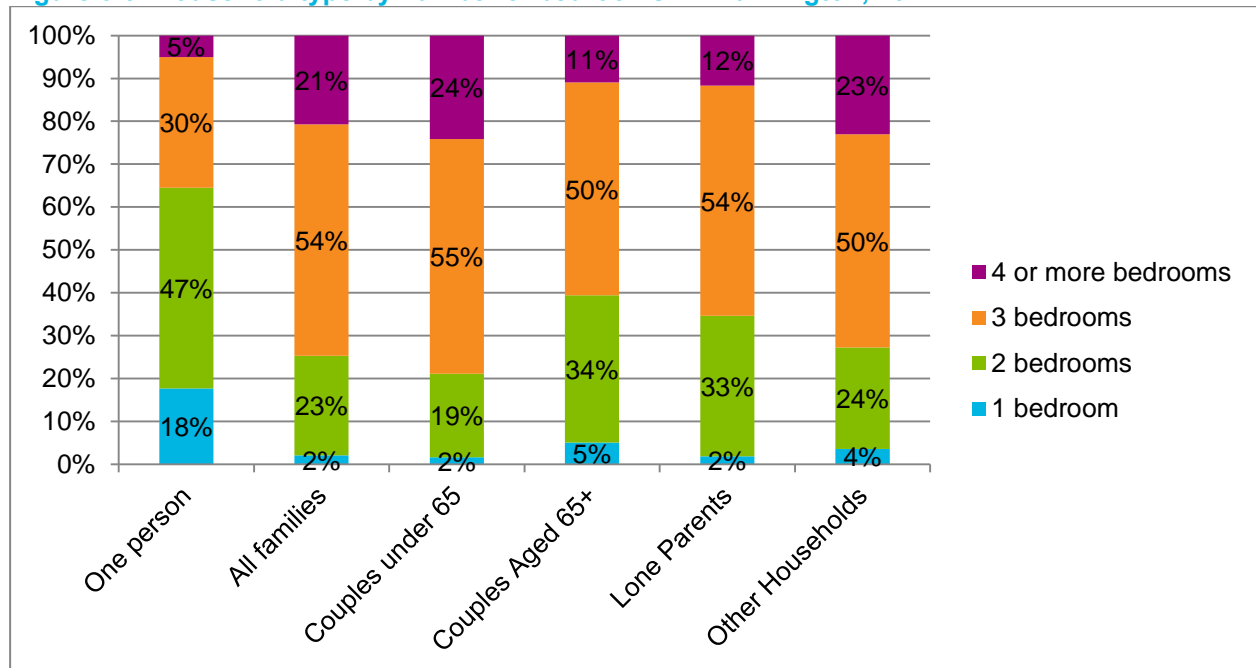
Source: ONS SNPP 2014

120. Bringing the evidence together regarding the age structure of the population in the NA, we have seen that households headed by younger people are more likely to occupy homes of two bedrooms or less, and the same is generally true for older people and for those aged 80 and over, with the size of homes peaking around those aged 50-54. Cramlington has an aging population, and this will be particularly noticeable over the next 20 years, as a large number of people reach the state pension age. Indeed, the future age structure of the population across Northumberland is predicted to shift significantly towards older people, with decreases in all age groups under 65 as a result.
121. We now turn to household type and composition both now and in the future, and how these might have an impact on the size of housing needed.

Household type and composition

122. Clearly different types of households occupy different types and sizes of housing, partly as a result of their age and the stage in life which they have reached.
123. Figure 6-3 below shows how households of different types and compositions occupy housing within the Cramlington NA. It is clear from this data that the majority of household types, save those of one person only, are most likely to live in 3 bedroom homes. Single people on the other hand are about as likely to occupy a house of 3 bedrooms as young people aged 16-25 and the very elderly (aged 85+), as shown in Figure 6-3 below.

Figure 6-3: Household type by number of bedrooms in Cramlington, 2011



Source: Census 2011

124. Similarly, one person households are about as likely to occupy both one and two bedroom properties as those in the 85+ age group (and there is likely to be significant overlap). Given that such households made up 26% of the total in Cramlington in 2011, meeting their housing needs going forward is likely to be important, particularly as much of the new need arising from new household formation will be either younger households aged 25 and under, single person households, or both. Future household growth is discussed in more detail further on in this chapter.

Current household type and composition

125. In Table 6-8 below, we set out the distribution of the population across the types of households defined by the Census. This data shows quite clearly that Cramlington is a family-oriented community, with a higher proportion of households (70%) made up of one family than the average for Northumberland and indeed for England.

Table 6-8: Household composition (by household) in Cramlington, 2011

Household Type		Cramlington	Northumberland	England
One person household	Total	26.2%	29.9%	30.2%
	Aged 65 and over	10.8%	14.0%	12.4%
	Other	15.5%	15.9%	17.9%
One family only[1]	Total	70.0%	66.3%	61.8%
	All aged 65 and over	8.5%	10.3%	8.1%
	With no children	23.6%	21.0%	17.6%
	With dependent children	23.1%	21.1%	26.5%
	All children Non-Dependent	8.0%	8.2%	9.6%
Other household types	Total	5.7%	4.6%	8.0%

Source: Census 2011, AECOM Calculations

126. It is interesting to note however that there are slightly more families with no children than with dependent children, reflecting a higher percentage than Northumberland or England. The needs of such families can be challenging to assess, as they are often likely to occupy homes larger than might be required by two people. Indeed, the same is true for those aged 65 and over, whether living as a couple or alone, and there are obvious limitations to the extent to which existing households, particularly owner occupiers, will wish to move home as their households change in size.
127. In Table 6-9 below we present data that shows shifts in household composition over the inter-censal period. The most significant increase was in households aged 65+, reflecting demographic shifts discussed in more detail below. However it is notable that this increase in older households (by 40%) was much more pronounced than across the LA or indeed in England.

Table 6-9: Rates of change in household composition in Cramlington, 2001-2011

Household type		Cramlington	Northumberland	England
One person household	Total	6.8%	9.4%	8.4%
	Aged 65 and over	5.3%	-4.3%	-7.3%
	Other	7.8%	25.3%	22.7%
One family only	Total	-1.0%	4.1%	5.4%
	All aged 65 and over	40.2%	7.4%	-2.0%
	With no children	9.0%	11.4%	7.1%
	With dependent children	-12.2%	-3.2%	5.0%
	All children non-dependent	-10.6%	6.2%	10.6%
Other household types	Total	19.8%	12.0%	28.9%

Source: Census 2011, AECOM Calculations

128. The number of households with children has decreased markedly in Cramlington, including amongst those with both dependent and non-dependent children, just as the number of households with no children has increased. Given the shift in the housing stock towards larger homes described above, it is unlikely that the availability of appropriately sized housing has been a factor in these shifts in household composition. It may be that other factors such as the availability of jobs, schools and other services in Cramlington have contributed to this shift, although these have not been assessed in this study.
129. Also significant is the increase in other household types, although this was more reflective of County and national trends. Such households include a range of groups, including adults sharing, multi-family households etc. Such households often form as a result of affordability pressures, and are much more likely to be overcrowded, i.e. living without adequate bedrooms, than other household types.

Future household type and composition

130. Below we consider how different types of households are likely to change in the future, drawing on data from the ONS household projections for Northumberland as a whole. Clearly this data is based on somewhat different definitions of household types than the Census, and applies to the whole of the authority rather than Cramlington alone. Similarly, the data is based on past trends, and in the context of an individual town or parish, may not hold true due to the factors affecting where people choose to live mentioned above.

Table 6-10: Projected household population in 2039 by household type

Household type	Northumberland Increase	%	England Increase	%
One person household	5,370	13%	1,708,568	25%
Couple and no other adults	9,239	21%	1,167,087	20%
Couple and one or more other adults	-1,779	-18%	478,043	28%
Households with dependent children	-2,001	-6%	999,272	15%
Other	1,610	23%	904,141	53%

Source: MHCLG Household Projections 2014

131. The data clearly shows quite significant decreases in larger households, particularly those made up of a couple and one or more other adults (usually adult children, but potentially also carers, friends, or those in other living arrangements), as well as a small decrease in the number of households with dependent children.
132. It is challenging to plan for decreases in the number of larger households such as those with children described above, particularly given the market demand for larger properties. The data assembled clearly to the fact that while households have become on average smaller in recent years, the housing stock in Cramlington has, on average, increased in size. However, policies can help to ensure that a greater proportion of new dwellings that are built over the Plan Period are smaller, thereby influencing the overall size mix within the housing stock over time. Another way of increasing the supply of smaller dwellings is for policy to support the conversion of larger dwellings into a greater number of self-contained, smaller units.
133. Three bedroom homes are the most common size of home amongst almost all household types except one person households, for whom two bedroom homes are more common. Single people are about as likely to occupy a house of three bedrooms as young people aged 16-25 and older people aged 85+, which is not surprising given that people in both age groups are more likely to live alone.
134. The current mix of households is dominated by household types who may choose to occupy larger homes than their needs might suggest, and this is likely to continue with increases predicted primarily in older and single person households, and decreases in most other types of households. However, declines in the average size of households overall, as well as in the number of those with dependent children, are challenging to plan for as the existing housing stock caters to a different demographic profile, and this makes up the majority of housing in the area.
135. As such, we turn to housing market demand factors in Cramlington to consider how new housing stock might best be influenced via planning policy in the future.

6.4 Market factors affecting the type and size of housing required

136. The PPG provides us with a clear understanding of the fact that not all housing types have the same appeal to different occupants, and that there are different market segments²⁵, i.e. household types whose preferences for housing are shaped both by demographic as well as market factors. Obviously, the aspirational nature of housing choices are most reflected in the market sector, although choice based letting systems do introduce an element of desirability into the social sector, with shared ownership and other intermediate tenure homes falling somewhere in between the two.
137. As noted above, the previous HNA for Cramlington made particular reference to the requirements of high income households and the need for 4+ bedroom (i.e. 'executive') homes to suit their housing aspirations. Furthermore, CTC have indicated that they wish to provide housing that encourages a demographically balanced population able to support a full range of facilities and services in the town. This would suggest that the housing aspirations of younger people are also an important market factor affecting housing need.

Housing aspirations

²⁵ Paragraph: 008 Reference ID: 2a-008-20140306

138. Arc4's HNA for Cramlington asked households who intended to move in the next 5 years what type of homes they aspired to live in, and what they expected to live in. This survey results indicated that the preference most clearly expressed by people was for a detached house of 4 or more bedrooms (24.7%), but that a similar proportion expected to live in a semi-detached house of 3 bedrooms.
139. The data in Table 6-11 below raises interesting questions, as some types of houses, such as terraced homes of 3 or more bedrooms, and flats of 3 or more bedrooms, were not what any households expected. In some cases this was because of a lack of availability, for example in the case of larger flats, however, in some cases such as with terraced homes of 3 bedrooms, there was a significant existing stock of such homes.
140. Clearly it would not be practical to eliminate such homes, i.e. to demolish them, simply based on the preferences stated in a single survey. Indeed, it is clear that the survey has some flaws, given that people were only allowed to choose the type of home they expected to live in, with the availability of types within the housing stock not taken into account. but that this left many types of homes with no one expecting to live in them, in spite of their relative availability.

Table 6-11: Open market dwelling stock and preferences

Dwelling type/size	Dwelling stock, likes and expectations			Variance from current private stock	
	Current private stock (%)	Like (%)	Expect (%)	Like %	Expect %
Detached house/cottage 1-2 Beds	0.2	2.2	0.0	● -2.0	● 0.2
Detached house/cottage 3 Beds	9.1	15.2	5.6	● -6.1	● 3.6
Detached house/cottage 4 or more Beds	14.9	24.7	18.6	● -9.8	● -3.7
Semi-detached house/cottage 1-2 Beds	5.9	0.8	2.3	● 5.1	● 3.6
Semi-detached house/cottage with 3 Beds	26.5	8.7	23.3	● 17.8	● 3.3
Semi-detached house/cottage 4 or more Beds	5.6	6.5	7.0	● -0.9	● -1.4
Terraced house/cottage 1-2 Beds	3.9	2.2	5.6	● 1.7	● -1.7
Terraced house/cottage 3 Beds	14.9	2.2	0.0	● 12.7	● 14.9
Terraced house/cottage 4+ Beds	0.8	0.0	0.0	● 0.8	● 0.8
Bungalow 1-2 Beds	5.6	19.1	18.0	● -13.5	● -12.5
Bungalow 3+ Beds	1.8	7.4	7.9	● -5.5	● -6.1
Flat/Apartment 1 Bed	1.3	6.7	0.3	● -5.4	● 1.0
Flat/Apartment 2 Beds	9.1	2.2	11.4	● 6.9	● -2.4
Flat/Apartment 3+ Beds	0.0	0.0	0.0	● 0.0	● 0.0
Other 1-2 Bed	0.3	0.0	0.0	● 0.3	● 0.3
Other 3 Bed	0.1	2.2	0.0	● -2.1	● 0.1
Total	100.0	100.0	100.0		
Base	10362	1331	1242		

Source: Cramlington HNA 2016

141. It is undoubtedly positive to consider people's aspirations for housing when developing housing policies. However, these are often shaped by cultural views, and may not be realistic in the current new build housing market. Indeed, Table 6-12 below shows the views of all residents in the survey (not just those intending to move), which showed more clearly that the priority was homes for younger people, regardless of widespread aspirations from those wishing to move into larger homes.

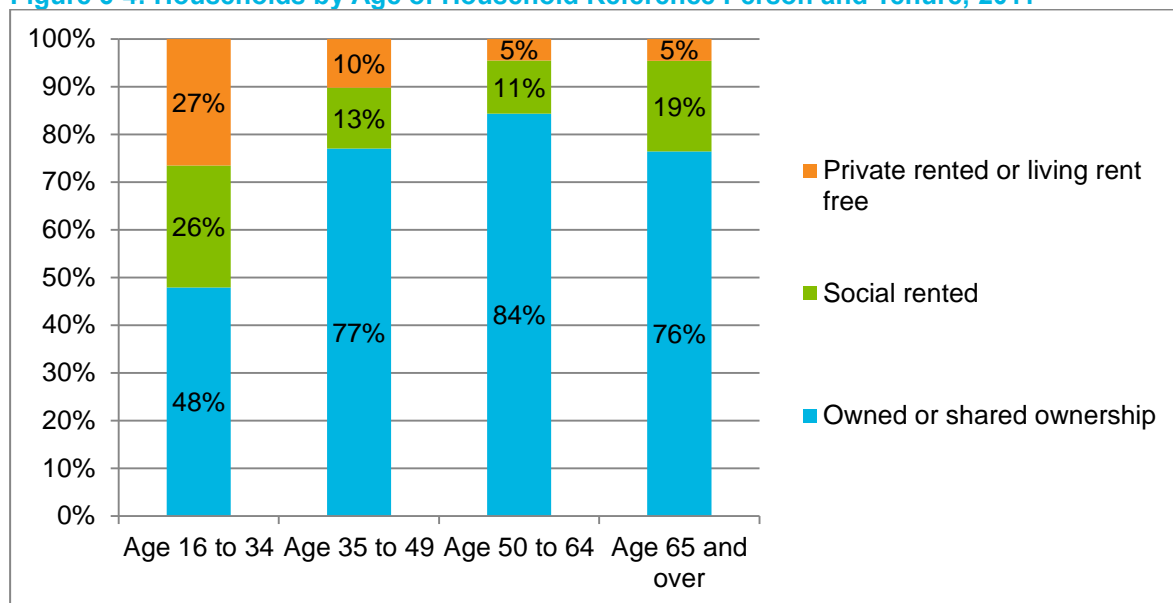
Table 6-12: Residents views of dwelling requirements (extract)

Type of housing	Percentage of households mentioning requirement
Homes for young people	28.0
Homes for first-time buyers	23.1
Small family homes	8.0
Large family homes	7.0
Homes for people with disabilities	8.8
Homes for single people	5.9
Homes for older people	7.8
No further homes are needed	20.8
Other	4.6

Source: Cramlington HNA 2016

Age and housing preferences

142. In the Figure 6-4 below we consider in more detail how households of different age groups occupy different tenures of home. This demonstrates clearly the extent to which those aged 34 and under rely both on the private rented sector and the social rented sector, with more than half doing so. It is also relevant to consider then whether the needs of this age group might best be met through affordable home ownership opportunities, and/or smaller housing, given the concern in the community expressed above for younger households.
143. Indeed, CTC has expressed a specific interest in meeting the needs of this market segment as they are perceived to be underserved, and more affordable, smaller or shared ownership tenure properties could help to provide housing pathways into larger homes and homeownership for younger households, who typically have lower incomes.

Figure 6-4: Households by Age of Household Reference Person and Tenure, 2011

Source: Census 2011

144. It is reasonable to suggest that smaller properties of two bedrooms or less will be most attractive to younger people given that the majority of those under 30 who are independent of their parents live in homes of this size. Attracting younger people may also help Cramlington to maintain the viability of services such as schools.
145. It is also relevant to consider the needs of older households, given that CTC is also concerned about their needs. Whilst specialist housing for the elderly, i.e. housing with additional services including care, is included in more detail in Chapter 7, it is interesting to consider the impacts of the aging population on the sizes and types of housing needed.

Conclusions on types of housing needed

146. As noted above, the trend will be towards smaller households in the future, particularly as a result of households aging. The Arc4 HNA identified 'a strong desire for bungalows', exceeding the availability of the stock, of which bungalows accounted for approximately 10%. Unfortunately the Census does not collect data on whether homes are bungalows or not, as such homes would either be classified as detached or semi-detached.
147. Similarly, it is important to understand in more detail why some households would prefer a bungalow to other accommodation. Whilst the primary concern is likely to be mobility, the 8% of households moving who expected a 3+ bedroom bungalow could surely compromise were a home with suitable access requirements to meet their needs be available. In particular, we would point to models of bungalows with a dormer area for guests to stay in, which would not affect the mobility of the main occupier, as pioneered by the Birmingham Municipal Housing Company²⁶
148. Following from this discussion of housing typologies, it is useful then to consider the potential types of houses needed in Cramlington. Table 6-13 below shows the property type preferences expressed by residents likely to move in the next 5 years. This shows that newly forming households would overwhelmingly prefer to move into a flat, further bolstering support for smaller housing sizes.

Table 6-13: Property type preferences expressed by residents of Cramlington expecting to move in the next 5 years

Type preferences	Existing (%)	Newly-forming (%)	Total (%)
House	67.0	30.1	44.9
Flat	16.8	67.2	46.9
Bungalow	16.2	2.7	8.2

Source: Cramlington HNA 2016

²⁶ <http://www.housinginnovations.org/news/post/birmingham-city-council2>

7. Specialist housing

RQ4: What provision should be made for specialist housing for the elderly within the NA?

149. A consideration of the needs of the elderly is important for the Cramlington HNA, not least because of the significant shift in the age profile of the population towards older residents, as discussed in the previous chapter. Below we consider the need for specialist dwellings for older people, including sheltered and extra-care accommodation, building on the work done in the Cramlington HNA 2016.
150. However, before considering the data on Cramlington specifically in more detail, it is useful to understand the national context for specialist housing for the elderly across England (e.g. sheltered and extra care, see Appendix A for definitions). Between 1974 and 2015, the population aged 65 and over in England grew 47% and the population aged 75 and over grew by 89%.²⁷ A Demos survey of over 60s conducted in 2013 found a “considerable appetite” amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting.²⁸
151. Indeed, 76% of those in homes of three or more bedrooms wished to downsize, and this rose to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.²⁹ However, in spite of evidence of high demand, currently only 5% elderly people’s housing is made up of specialist homes,³⁰ with Demos suggesting that “the chronic undersupply of appropriate housing for older people is the UK’s next housing crisis”,³¹ and pointing out that local authorities are often “accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs”.³²
152. In 2014 there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.³³ However, this is likely to be a result of constraints on the supply of private sector retirement housing rather than a lack of demand. Indeed, whilst older people are increasingly healthier for longer than in the past, the supply of specialist housing for the elderly could be considered to be somewhat constrained. For example, the population aged 65 and over in England grew by 11% between 2001 and 2011, but the population living in actual residential care homes, those providing comprehensive care (and therefore not part of the sheltered housing sector), grew by just 0.3%, to about 291,000 people.³⁴
153. The following sections consider the existing provision of specialist housing for the elderly in Northumberland as a whole, and for Cramlington in particular, and make projections of how needs might change in the future based on existing provision rates and demographic projections. These are then compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN).

7.1 Older people’s housing choices

154. The HNA for Cramlington notes the “major strategic challenge” presented by housing provision for the elderly in the area. Many of those surveyed had elderly relatives who may need to move to be closer to them, with this group specifically asked for their views on the most appropriate housing options for these relatives, as shown in Table 7-1 below.
155. The results suggest that many of those surveyed would be happy to have their elderly relatives live with them, although this was often dependent on the need for changes to be made to their property. The variety of options suggest that people did not necessarily have a clear view of what would be most appropriate or feasible for their elderly relative, with the average respondent actively considering at least two of these options.

²⁷ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

²⁸ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

²⁹ Ibid.

³⁰ https://www.housinglin.org.uk/_assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

³¹ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³² <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³³ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf

³⁴ <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/ageing/articles/changesintheolderresidentcarehomepopulationbetween2001and2011/2014-08-01>

Table 7-1: Older persons housing options according to those with elderly relatives likely to move to Northumberland

Housing option	% would consider
Live with you (existing home adequate)	14.4%
Live with you (need extension/adaptation)	27.0%
Privately owned sheltered housing	23.9%
Council owned sheltered housing	27.1%
Housing Association sheltered housing	23.0%
Extra care housing (with care & support services on site)	22.4%
Residential care/nursing care	31.8%
Owner occupied property	19.6%
Private rented property	4.7%
Shared ownership property	1.1%
Housing Association general	5.9%
Council property general	11.2%

Note: more than one option could be mentioned, so options do not total 100%

Source: Northumberland SHMA2015

156. It is interesting then to compare this data with the data below, which shows the actual preferences for different housing options of elderly people themselves. These people were slightly better informed in terms of the choices they made, in the sense that they provided on average 2.24 options, versus the average 2.12 options given by their relatives in Table 7-1 above.
157. It is relevant to consider however whether the data from the 2016 survey included responses from those already living in care homes or other facilities with care, as a survey only of independent households would clear skew the results. It was also unclear the extent to which respondents understood the range of care options available to them, and indeed, the list of options differed slightly between the two surveys.
158. However, in terms of considering merely the net number of households potentially likely to move into specialist housing, Table 7-2 below indicates a strong preference for people to stay in their own home. This chimes with national data discussed above.

Table 7-2: Older persons housing options in their own view

Housing option	% would consider		
	60-74 years	75+ years	Total
Continue to live in current home with support when needed	80.1	92.1	82.7
Buying a property on the open market	23.4	9.2	20.3
Rent a property from a private landlord	2.9	1.3	2.5
Rent from HA	15.0	7.2	13.3
Sheltered accommodation - To Rent	25.3	22.3	24.6
Sheltered accommodation - To Buy	20.6	16.7	19.7
Sheltered accommodation - Part Rent/Buy	7.3	4.6	6.7
Extra care housing - To Rent	21.1	19.9	20.8
Extra care housing - To Buy	16.2	13.9	15.7
Extra care housing - Part Rent/Buy	6.3	3.4	5.7
Residential care home	10.0	18.7	11.9
Co-housing	19.7	15.0	18.7
Base (total households responding)	6215	1750	7964

Source: Cramlington HNA 2016

159. It is also relevant to consider the aspirations of households aged 65+, as well as their expectations of the housing that would be practical for them to live in in their old age. This showed that the vast majority of people both aspired to and

expected a smaller home of 1-2 bedrooms, with none expecting larger homes of 4 or more bedrooms, though some aspiring to. Only about 15% expected to need specialist housing including care and support services.

Table 7-3: Dwelling aspirations and expectations of households containing a HRP aged 65 or over

Dwelling type	Aspiration (%)	Expectation (%)
House	27.8%	29.3%
Bungalow	48.1%	50.7%
Flat	10.1%	5.3%
Other	0.0%	0.0%
Older/supported	13.9%	14.7%
Total	100.0%	100.0%
No. bedrooms	Aspiration (%)	Expectation (%)
1/2 Beds	67.5%	64.5%
3 Beds	18.8%	35.5%
4 or more beds	13.8%	0.0%
Total	100.0%	100.0%

Source: Cramlington HNA 2016

160. Table 7-4 below also considers the extent to which households in this age range expected to downsize or stay in homes of similar sizes. This presents strong evidence of the need for specialist housing designed to meet the needs of older people specifically, even where this does not include care or support services. Indeed, Table 7-4 above makes very clear the strong demand (and indeed expectation of) bungalow dwellings, with the Cramlington HNA 2016 particularly singling out this market segment as underserved.

Table 7-4: Future housing expectations of older people in Cramlington

Housing choice	Expectation (%)
Downsizing (moving to a smaller property)	78.3
Staying same	21.7
Moving to larger property	0.0
Total	100.0
Base	336

Source: Cramlington HNA 2016

7.2 Sheltered and extra-care housing

161. Considering the significant forecast increases in people aged 75+, it is appropriate for policy to provide support for a significant quantum of sheltered and extra care housing as part of the delivery of new housing. Table 7-5 below identifies the growth in the population of over 75s between 2011 and 2031.

Table 7-5: Change in the population of over 75s between 2011 and 2031

Age band	2011		2031	
	Population (Cramlington)	Population (Northumberland)	Population (Cramlington)	Population (Northumberland)
All ages	29,413 (9.3% of the county)	316,028	29,913 (9.3% of the county)	321,400
75+	1,854 (6.3% of total)	28,938 (9.2% of total)	4,906	52,600 (16.4% of the total)

Source: 2014-based Sub-national population projections, MHCLG and Census 2011 (ONS) AECOM calculations

162. In arriving at an appropriate level of housing for older people of different types, we have applied the Housing Learning and Improvement Network's suggested numbers per 1,000 of the 75+ population³⁵.
163. Table 7-5 above shows an estimate of the increase in the numbers of older people aged 75+ of 3052 (4906-1854). The method we use to arrive this number can only be an estimate given that MHCLG population projections do not provide data at the town or parish level.
164. AECOM uses a four step method to arrive at the estimate. Using MHCLG population projections, we take the % of people aged 75+ at the end of the Plan Period in Northumberland. We use this arrive at an estimate of change in the numbers of people aged 75+ in Cramlington as follows:
- the population size for Northumberland together with the number of those aged 75+ is taken, and a calculation made as to their % of the total, in this case 9.2% in 2011;
 - we arrive at an estimate of the size of the total population in Cramlington at end of Plan Period by assuming it is the same proportion of the Northumberland population as in 2011 (i.e. 9.3%);
 - to arrive at an estimate of the 75+ population in Cramlington at the end of the Plan Period, we assume % in the NA is the same as it is Northumberland (16.4%). An alternative assumption would be that the proportion remains the same as the 2011 (6.3%).
165. Our preferred method however results in an estimate (using the housing LIN approach) over the Plan Period, in the following housing needs figures in Cramlington:
- additional conventional sheltered housing units = $60 \times 3.052 = 183$ (rounded);
 - additional leasehold sheltered housing units = $120 \times 3.052 = 366$ (rounded);
 - additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale = $20 \times 3.052 = 61$ (rounded);
 - additional extra care housing units for rent = $15 \times 3.052 = 46$ (rounded);
 - additional extra care housing units for sale = $30 \times 3.052 = 92$ (rounded); and
 - additional specialist dementia care homes = $6 \times 3.052 = 18$ (rounded).
166. It is helpful then to consider whether this calculation aligns with the actual preferences expressed by older people in recent household surveys, as well as with current supply. The formula above suggests provision of approximately 251 dwellings per 1000 population aged 75+ ($60 + 120 + 20 + 15 + 30 + 6 = 251$), above and beyond any care home provision, leading to the need for 766 additional specialist homes over the Plan Period.
167. It is also possible to calculate an estimate drawing on the household survey data from above, which showed that 14.7% of older people aged 65+ expect to move into some form of supported housing. Based on this figure, the increase in the elderly population would result in the need for approximately 449 ($14.7\% \times 3,052$) specialist homes for the elderly in Cramlington.
168. It is helpful to put these figures into the context of the actual supply of specialist housing for the elderly in Cramlington. Figure 7-1 below shows specialist facilities including care homes in the area of Cramlington.

³⁵ Housing LIN (2011) Strategic Housing for Older People: Planning, designing and delivering housing that older people want, available online at: http://www.housinglin.org.uk/_library/Resources/Housing/SHOP/SHOPResourcePack.pdf

Figure 7-1: Map of specialist housing (including Care Homes) in Cramlington



Source: Elderly Accommodation Council

169. In total, there are six specialist housing facilities in Cramlington excluding care homes, totalling just 175 units of specialist housing. The vast majority of these (more than 90%) were social rented. Based on a 2011 population aged 75+ in Cramlington of 1,854, this suggests the actual rate of provision in the NA was closer to 94 dwellings per 1000 population aged 75+.
170. Clearly these figures take into account backlog need (i.e. the additional provision required across the existing and forecast elderly population to raise levels to meet the recommended supply levels). We would recommend that CTC plan for an average of the lowest two figures shown below, i.e. 203 additional specialist dwellings, or approximately 10 per annum until the end of the Plan Period.

Figure 7-5: Range of specialist housing need projections based on differing rates of provision

	Provision at current rate (94/1000 population 75+)	Need based on survey (150/1000 population 75+)	Need based on HLIN recommendation (251/1000 population 75+)
2011	175	--	--
2031	287	458	766
Additional provision required (inc backlog)	112	283	591

Source: AECOM Calculations

171. Below we summarise the potential levels of provision and how these might be carried forward in Cramlington.

7.3 Other housing options for the elderly

172. **Retirement villages** are developments that involve the delivery of multiple homes to satisfy the desire on the part of many older people to live in an environment with people facing similar challenges; retirement villages are often a cost-effective means of delivering sheltered and extra care housing together with the facilities and services these settlements imply. Given the numbers of units that result from the analysis above, it would be appropriate to consider

this approach to the delivery of housing for the elderly in Cramlington. Whilst no retirement villages have been built in Northumberland as yet, the Joseph Rowntree Trust completed Hartfields in Hartlepool in 2008, and this provides a model for how such a community can be developed.

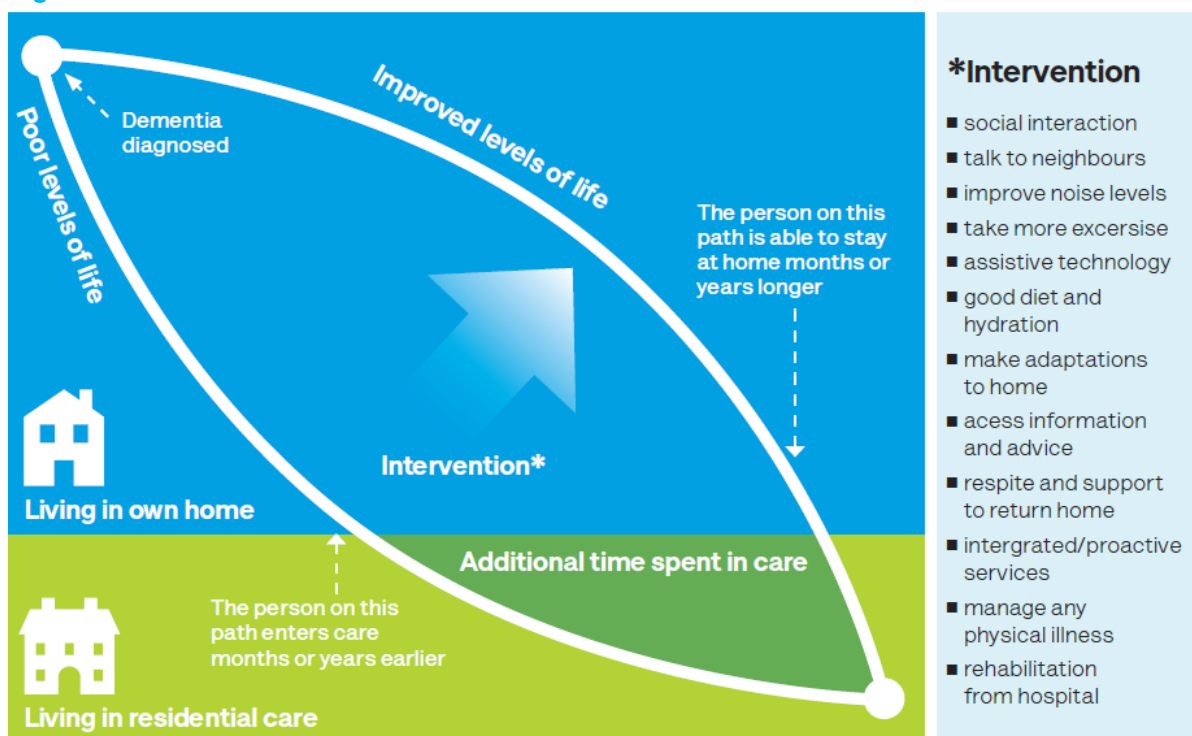
173. **Senior co-housing** has been identified as being particularly suited to the needs of older residents. It offers a way for a group of people with similar interests and needs to come together to create an environment suited specifically to their requirements. Moreover, it can be designed to help address one of the most important issues for older people: isolation and loneliness. A number of successful case studies exist of projects developed specifically with the needs of older people in mind; including the creation of public areas that encourage social interaction between members of the community (see <https://cohousing.org.uk>).
174. **Multi-generational homes** have been identified as a possible solution not only for older people, but all generations where it makes financial sense to share accommodation, particularly younger people who are struggling to set up their own households. This gives rise not only to designs for new homes, but conversions to existing dwellings, introducing internal subdivisions and peripheral extensions to create internal layouts that balance the private needs of different generations with the benefits of over-lapping, shared communal spaces.
175. **Lifetime homes** are created via LPA policies in Local Plans that stipulate that a proportion of new homes should be built according to 'lifetime homes' principles; these are ordinary homes incorporating a number of design criteria that can be universally applied to new homes at minimal cost, for example parking that makes getting in and out of the car as simple and convenient as possible and ensuring movement in hallways and through doorways should be as convenient as possible to the widest range of people, including those using mobility aids or wheelchairs, and those moving furniture or other objects.³⁶
176. **Right sized dwellings** are dwellings that may be specifically built for older people in mind, but are not necessarily marketed as such. It is important to note, this does not necessarily imply moving to a smaller home. Many older people have the wealth (and the choice that comes with it) to create a home suited to having visitors and accommodating care staff, who may need to make over-night stays. For this reason, it is important to recognise that different ages have different needs, thus in the provision of housing, choice is critical, catering for those with relatively modest requirements, to those who are more dependent on help. The provision of choice that responds to need is part of creating a smoothly operating local housing market in which older people are able move out of family homes when they wish, thus freeing up these properties for others.³⁷
177. **The housing needs of people with dementia** may be able to be met in their own home. Enabling people with dementia to live in their own homes for longer is critical to their quality of life as a result of the familiarity of surroundings and the help with retaining memories this facilitates³⁸. The challenge with this is two-fold; firstly the lack of appropriate adaptations in properties and, secondly, the support required to ensure a home is safe and suitable. In Figure 7-2 on the following page we reproduce a chart showing the impact that early and appropriate intervention can have on the prospect of people with dementia remaining in their own home for longer.

³⁶ <http://www.lifetimehomes.org.uk/pages/about-us.html>

³⁷ Housing LIN, New Approaches to Housing for Older People, June 2014, page 6

³⁸ Alzheimer's Society, Dementia-friendly housing charter, page 13

Figure 7-2: Dementia care chart



Source: Dementia Services Development Centre, 2013

111. As suggested above, it is appropriate for the neighbourhood group to work closely with the LPA and other bodies to develop policy and approaches to addressing the need for housing for elderly people in the area. The LPA is under an obligation through national policy to address the needs of older people,³⁹ it is therefore appropriate they should play the strategic role in co-ordinating new efforts by housing providers, adult care services, primary care and health trusts, private and third sector organisations to meet the housing needs of older people across the County.

³⁹ NPPF, para 50

8. Market Signals

178. The PPG highlights the importance of taking market signals into account when assessing housing need, given that they provide an indication of the balance between demand and supply. This is particularly important to consider given the significant and well-documented changes in the housing market over recent years, which were exacerbated by the economic downturn and subsequent issues in obtaining mortgage finance.

179. The PPG states:

The housing need number suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Prices rising faster than the national/local average may well indicate particular market undersupply relative to demand.⁴⁰

180. These market signals relate to trends discernable within the housing market, and broader economic trends that have an impact on the housing market.

181. The PPG goes on to assert that where there is evidence of an imbalance in supply and demand, an uplift in planned housing numbers – compared to those derived solely from household projections – is required in order to increase the supply of housing to meet demand and tackle affordability issues:

This includes comparison with longer term trends (both in absolute levels and rates of change) in the: housing market area; similar demographic and economic areas; and nationally. A worsening trend in any of these indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections.

In areas where an upward adjustment is required, plan makers should set this adjustment at a level that is reasonable. The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.⁴¹

182. In discussions with CTC and NCC as to the appropriate levels of market dwellings in the NA it will necessary to consider factors that suggest either an uplift or reduction. This study considers the following market signals:

- Employment and commuting trends;
- Housing market (prices);
- Housing market (volume);
- Migration; and
- Rate of development.

8.1 Employment and commuting

183. Local employment trends can greatly influence housing needs as employment opportunities can stimulate demand in the NA. The PPG notes that likely changes in employment and the local economy should be taken into account when assessing the need for housing. It is therefore important to establish the employment sphere of influence experienced by the residents of Cramlington.

Commuting

184. Cramlington is likely to be influenced by growth in Newcastle upon Tyne, due to its proximity (16 to 20km away) and ease of access to the city (23 min by car via the A1 and 17 min by train).

185. A significant proportion of the population works in Newcastle-upon-Tyne, evidenced by the 32.4% working between 10 and 30 km away from home. However, the majority of the population works in less than 10 km away from home, around Cramlington. Therefore, housing needs will mainly be influenced by economic prospects there.

Table 8-1: Distance to work, 2011

Location of work	Cramlington	Northumberland	England
Less than 10km	49.4%	40.8%	52.3%

⁴⁰ PPG Paragraph: 019 Reference ID: 2a-019-20140306

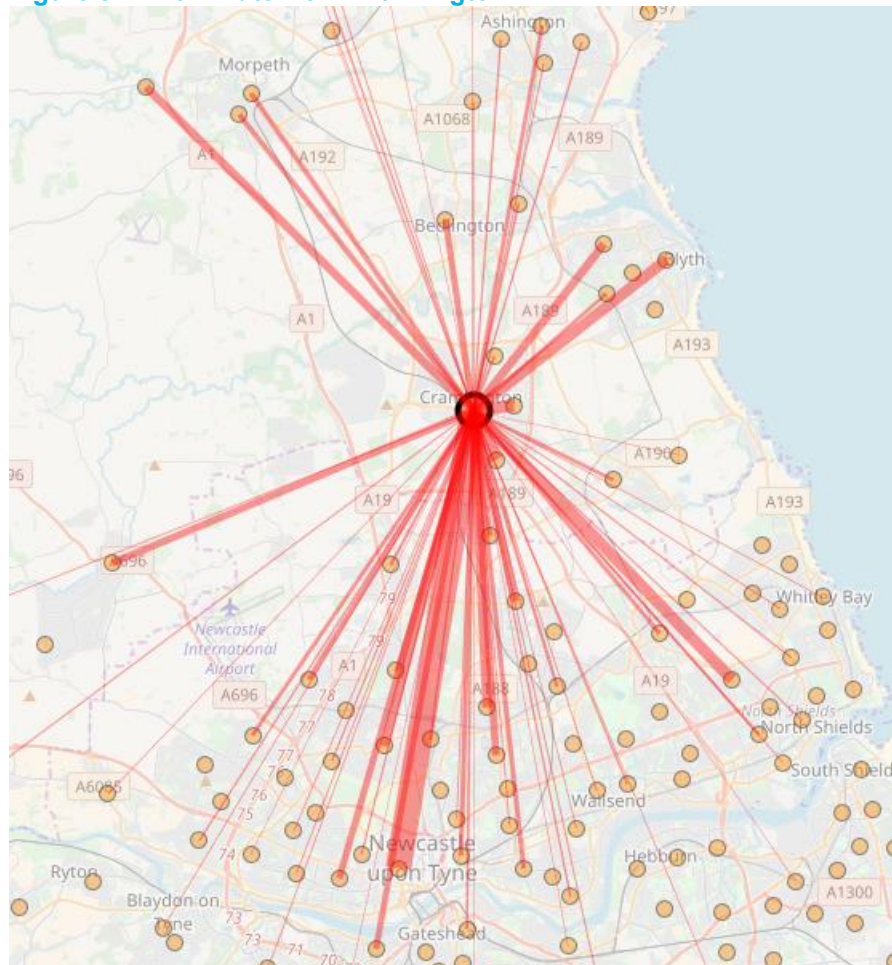
⁴¹ PPG Paragraph: 020 Reference ID: 2a-020-20140306

Location of work	Cramlington	Northumberland	England
10km to less than 30km	32.4%	29.4%	21.0%
30km and over	5.4%	10.5%	8.0%
Work mainly at or from home	6.8%	12.2%	10.3%
Other	6.0%	7.1%	8.5%
Average distance travelled to work	16.2km	21.4km	14.9km

Source: Census 2011, AECOM Calculations

186. Figure 8-1 below gives an indication of where residents of Cramlington work, and its relationship to various employment hubs across the region. It is noteworthy that about 20% of the population works in Newcastle in comparison to 49% in Northumberland, approximately a third of whom mainly work in Cramlington itself (30%).

Figure 8-1: Commute from Cramlington



Source: <http://commute.datashine.org.uk>

187. As many people commute to work, it is necessary to understand where jobs might be created over the Plan Period over a wider area, for example in a large nearby employment centre to which NA residents may commute.

Future growth prospects

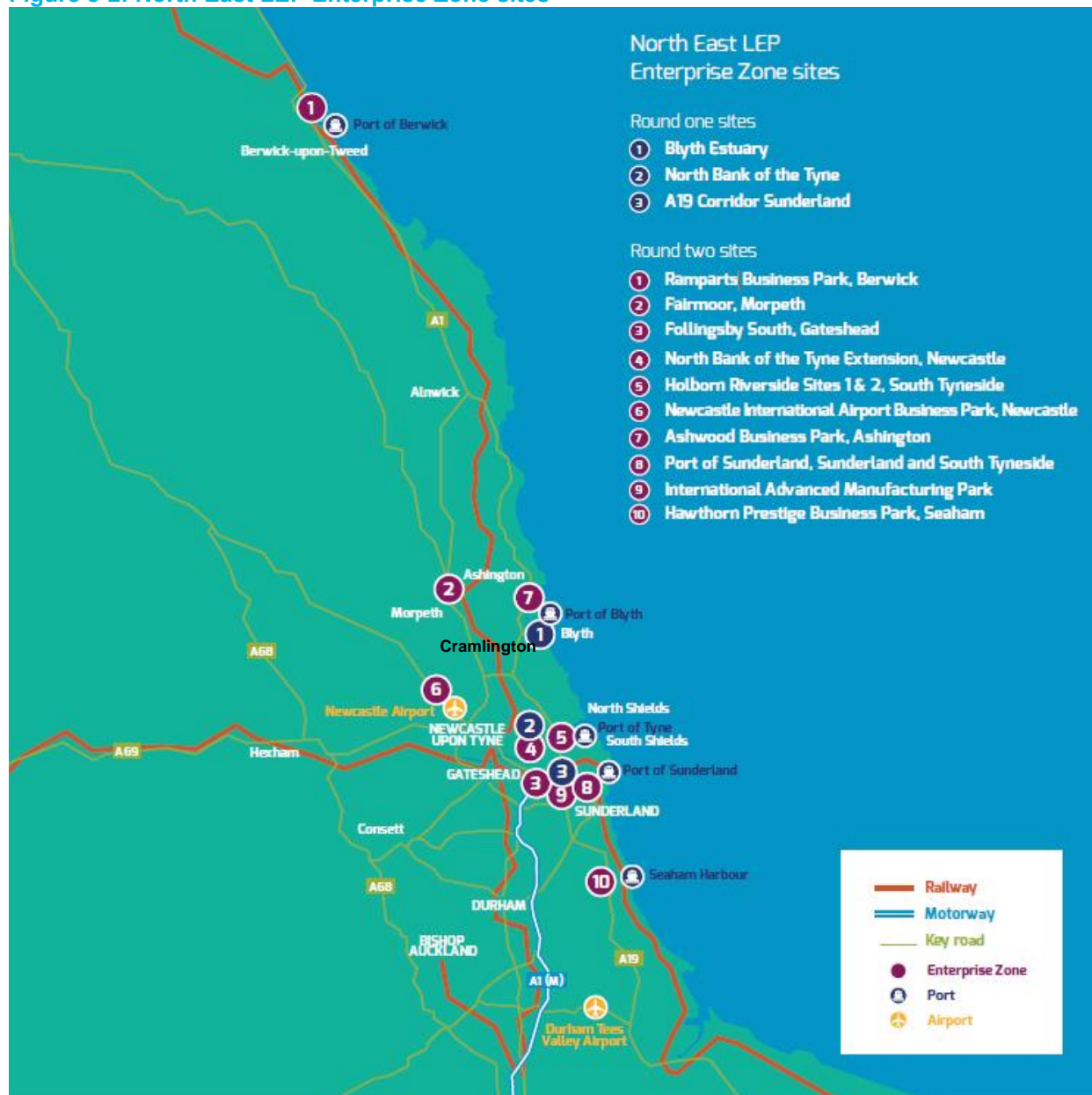
188. To do so, we conducted a review of the North East Strategic Economic Plan (SEP)⁴². SEPs are aspirational documents aimed at maximising inward investment. They provide an indication of what kinds of jobs are expected in the neighbourhood's Local Enterprise Partnership (LEP) area and where those jobs will be created, both of which have an impact on future housing need. Cramlington lies within the North East LEP (responsible for driving the

⁴² The North East SEP, 2017

delivery of the North East's Strategic Economic Plan), which includes the local authority areas of Northumberland, Newcastle, Gateshead, North Tyneside, South Tyneside, Sunderland and Durham.

189. The SEP's main targets are to increase the number of jobs in the North East economy by 100,000 by 2024, and to ensure that 70% of the jobs growth will be in 'better jobs'. It has identified four business opportunity areas that provide potential to generate jobs within the North East Economy: Digital, Advanced Manufacturing, Health and life sciences, Subsea, offshore and energy technologies.
190. As Cramlington is located within the vicinity of most of the manufacturing clusters, skills and transport facilities (as can be seen in Figure 8-2 below), it is expected to be directly influenced by the SEP's job creation target there.

Figure 8-2: North East LEP Enterprise Zone sites



Source: The North East SEP, 2017

8.2 Conclusion

191. Although the economy of Northumberland is under-performing⁴³, the local economy of Cramlington is doing well compared to the rest of the county and has benefited from recent investments⁴⁴. This activity has strengthened the retail and leisure offer in the area. A number of industries including large employers such as MSK and PII are concentrated in the town's well developed industrial estates, which include advanced manufacturing, pharmaceuticals and business services (likely to benefit from the Advanced Manufacturing, Health and life sciences business opportunity areas identified by the SEP). There are also major new sites to come forward including at Northumberland Business Park and West Hartford. These factors, together with the proximity of Cramlington and its integration to the competitive city-region of Newcastle, are likely to have an impact on housing through economic migration.

8.3 Housing market (prices)

192. The PPG advises that house prices should be used as an indication of the strength of demand for housing, and the adequacy of supply to meet demand⁴⁵. It makes clear that house prices can be used to provide a 'market-base' enabling: *"the identification of areas which have clearly different price levels compared to surrounding areas. The findings provide information about differences across the area in terms of the price people pay for similar housing, market 'hotspots', low demand areas and volatility."* This is then used as a signal to increase demographically based housing projections in response to the conditions of the actual housing market.

193. Table 8-2 below presents house price data for 2017 in Cramlington to gain an understanding of the latest prices for different property types and how they compare to the County, neighbouring districts and the region.

194. The mean price of dwellings for Cramlington is higher than the regional average and slightly higher than the County average. Prices are relatively affordable compared with Newcastle upon Tyne.

195. Looking at prices of different types of dwelling, larger properties such as detached and semi-detached are more expensive in the NA than in the County. The price for these types of properties inflates the average house price in Cramlington. In fact, terraced dwellings and flats are cheaper in the NA than in the County, the region and most surrounding districts. Prices for these types are even cheaper than in Gateshead, whose average house price is the lowest of all the LA listed in the table.

Table 8-2: Mean House Prices (2017)

Mean	Detached	Semi-detached	Terraced	Flats and maisonettes	All
Cramlington	£266,147	£149,979	£111,844	£77,856	£153,982
Northumberland	£252,689	£142,030	£118,303	£85,530	£151,189
Newcastle upon Tyne	£297,255	£178,015	£151,441	£113,051	£157,308
Gateshead	£227,556	£139,664	£119,712	£85,837	£127,686
North Tyneside	£279,126	£168,783	£145,961	£98,934	£156,272
North East	£212,506	£127,584	£101,888	£90,853	£126,402
England	£334,848	£207,998	£178,874	£201,364	£221,790

Source: Land Registry, UK House Price Index, AECOM Calculations

196. To assess recent movements in the housing market in Cramlington we have analysed data from the Land Registry. Data was then downloaded for the NA for the period from January 2008 to December 2017 (totalling 274 transactions), divided by type of home and showing average price for each year. This data is presented in Figure 8-3 below. The graph shows little fluctuation (except for detached dwellings) across price paid data for semi-detached, terraced dwellings and flats. This reflects one of the key messages for the SHMA, that the market prices have been broadly consistent over the period 2010-2014⁴⁶.

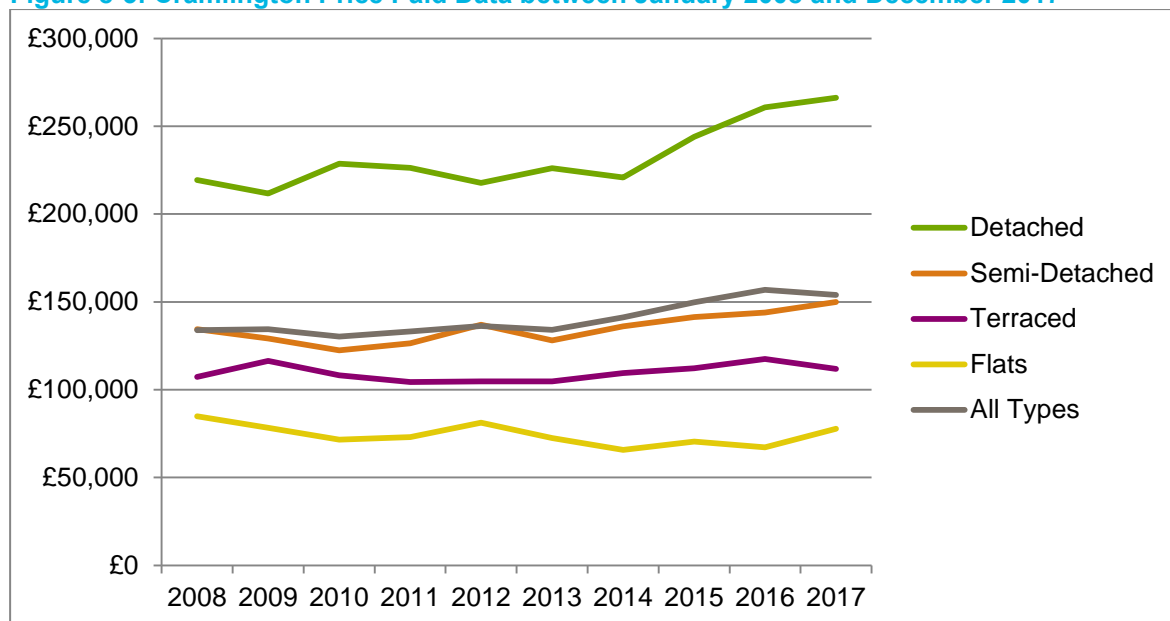
⁴³ "In 2012, the most recent year for which data are available, GVA in Northumberland was £3.8bn and represented about 9% of the total for the North East. Northumberland's economy has grown more slowly than the national and regional economies in recent years."

Northumberland Economic Strategy 2015-2020 p.12

⁴⁴ Northumberland Economic Strategy 2015-2020 p.64

⁴⁵ PPG Paragraph: 010 Reference ID: 2a-010-20140306

⁴⁶ SHMA, Table 6.8

Figure 8-3: Cramlington Price Paid Data between January 2008 and December 2017

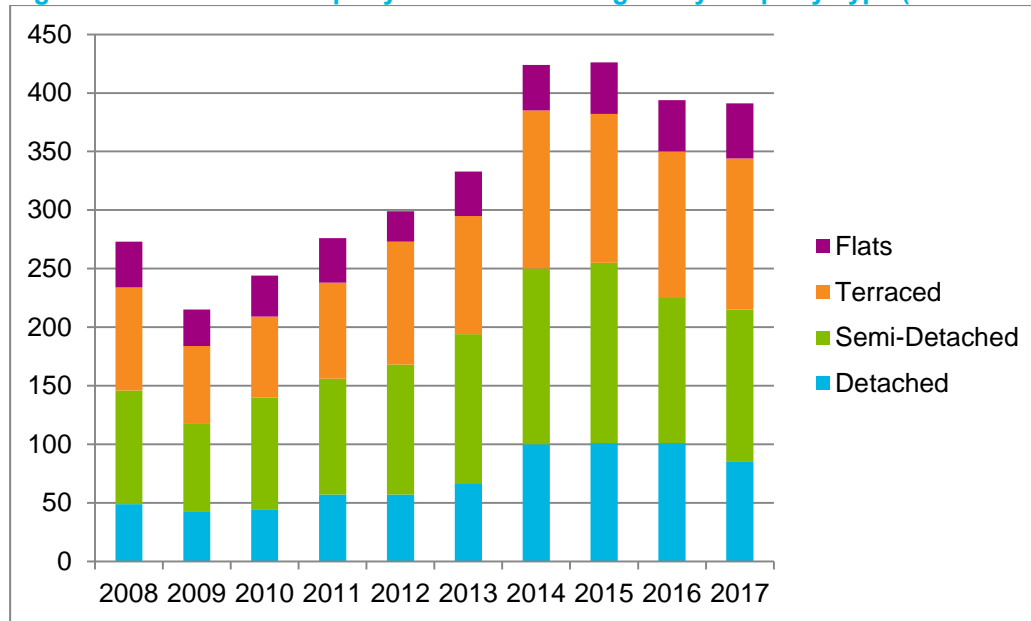
Source: Land Registry

197. According to Figure 8-3, most types have recovered their pre-recession levels and have grown moderately over the 9 year period. However, detached dwelling prices have increased significantly (19%) whilst flat prices have decreased by 21%. This contradicts one of the findings from the SHMA, which established that house prices over the period 2010-2014 have decreased⁴⁷.

8.4 Housing market (transactions)

198. Assessing housing sales over time is an important indicator in assessing demand for different types of housing. Figure 8-4 below presents Land Registry data for housing sales for different dwelling types in the Cramlington NA. The data suggests that the volume of property sales between 2008 and 2017 has increased and sales levels are now higher than they were during the financial crisis of 2008/2009. This reflects findings from the SHMA that the number of property sales in the County has increased from 4,074 in 2010 to 5,115 in 2014, broadly in line with the national and regional trends.
199. The data also shows that semi-detached and terraced dwellings formed the majority of total sales with 1165 and 1027 sales respectively between 2008 and 2017. Detached dwellings come in third position, with 703 dwellings sold over that period, whilst there have only been a relatively small number of flats sold (381). The low quantity of flats sold, together with low sale prices for that same type, suggests a deflated demand for flats.

⁴⁷ SHMA, Table 6.9

Figure 8-4: Volume of Property Sales in Cramlington by Property Type (2008-2017)

Source: Land Registry PPD, ONS

200. Another approach to benchmarking whether sales volumes represent a clear market signal indicating inflated or depressed demand across different housing types is to compare the proportion of sales of each type of housing (excluding any new builds, which would introduce supply side factors) with the proportion of the existing housing stock that falls into each category. This allows conclusions to be drawn about whether the sale of homes of each type is occurring proportional to their availability, or whether there is unmet demand.
201. This comparison is presented in Table 8-3 below, with figures for the housing stock in Northumberland as a whole added alongside for reference. The table shows a little discrepancy between sales and stock and a relative equilibrium.

Table 8-3: Sales volumes versus stock of different housing types in Cramlington and Northumberland

	Housing sales	Housing stock	Housing stock
	Cramlington	Cramlington	Northumberland
Detached	20%	20%	25%
Semi-Detached	36%	39%	35%
Terraced	32%	28%	28%
Flats	12%	13%	11%

Source: ONS 2001/2011, Land Registry PPD, AECOM Calculations

202. Bringing the evidence together, Cramlington seems to reflect findings for the SHMA and the trends in the County overall: *“the housing market in Northumberland is relatively stable [and there is] no recommendation to alter dwelling targets in the light of market signals relating to property price or quantity data⁴⁸”*. However, we would like to emphasize relative high prices for detached and semi-detached properties in Cramlington.

8.5 Migration

203. Table 8-4 below presents an overview of countries of birth and length of residence in Cramlington, Northumberland and England. The Census reveals that in both Cramlington and Northumberland, a lower number of residents were born outside the UK compared to the national average, with slightly lower number for Cramlington (2.5%). The overwhelming majority of these residents have been residing in the UK for more than ten years (1.6%). Therefore, international migration is likely to play a limited role in the demand for housing in the area.

⁴⁸ SHMA15 p.110

Table 8-4: Country of birth and length of residence, Sowerby 2011

Place of birth	Population breakdown		Cramlington	Northumberland	England
Born in the UK	Total	N/A	97.5%	97.2%	86.2%
Born outside the UK	Total	N/A	2.5%	2.8%	13.8%
	EU	N/A	1.2%	1.2%	3.7%
	Other	N/A	1.2%	1.6%	9.4%
	Length of residence	Less than 2 years	0.1%	0.2%	1.8%
		2-5 years	0.3%	0.3%	2.2%
		5-10 years	0.4%	0.5%	2.9%
		10 years or more	1.6%	1.8%	7.0%

Source: ONS 2001/2011, AECOM Calculations

8.6 Rate of development

204. PPG suggests that “If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan”.⁴⁹
205. For that, we consider a projection based on the rate of delivery of net new homes since the last Census (2011), using data gathered and monitored by the LPA and presented in Table 8-5 below. Between the 1st April 2011 and the 31st March 2017, 291 new dwellings were completed. That number equates to an annual rate of delivery of 49 homes (291 divided by 6, the number of years elapsed).
206. The Northumberland Five-Year Supply of Deliverable Sites proposes an annual dwelling requirement of 944 dwellings per annum. A ‘fair share’ of that target for Cramlington produces 81 dwellings per annum (rounded). Based on that, 486 dwellings should have been completed between 2011 and 2017 (81 multiplied by the number of years elapsed between 2011 and 2017). Yet, only 291 dwellings were completed, creating a shortfall of 195. Therefore, recent completions rates are below the planned targets. Consequently, there is evidence to demonstrate significant under delivery since 2011 and this market signal indicates the need for additional planned supply.

Table 8-5: Completions Summary Table for Cramlington Town NA

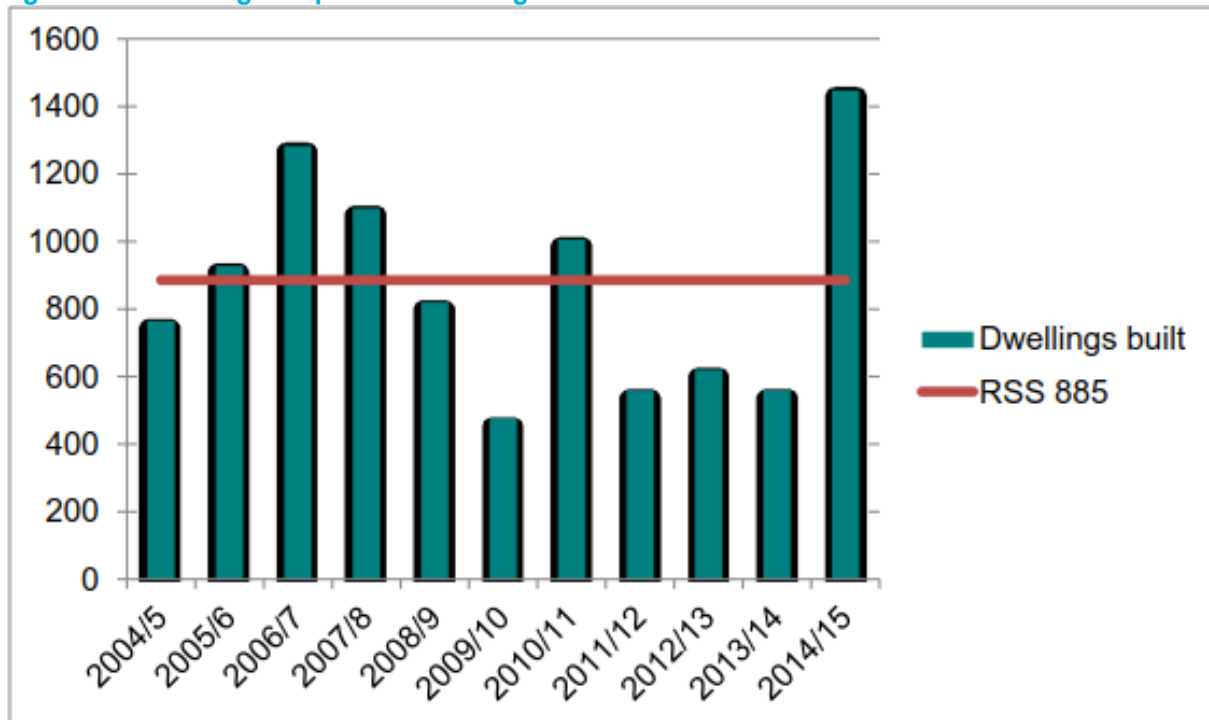
Completions	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	Total	Target	Shortfall
New Build	17	1	29	61	37	19	60	73	N/A	N/A	N/A
COU	0	0	0	2	3	3	2	0	N/A	N/A	N/A
Conversion	0	0	1	0	0	0	0	0	N/A	N/A	N/A
Total	17	1	30	63	40	22	62	73	291	486	195

Source: Northumberland County Council

207. Indeed, this conclusion is further supported by data from the SHMA15, as shown in Figure 8-5 below, which demonstrated that delivery has not kept up with planned targets in 5 of the 10 years considered, with two further years seeing only very small contributions above the targets. On this basis, the delivery of planning permissions is of significant concern.

⁴⁹ PPG Paragraph: 019 Reference ID: 2a-019-20140306

Figure 8-5: Dwelling completions and targets 2004/5 to 2014/15 in Northumberland





Source: SHMA15

9. Conclusions

9.1 Overview

Table 9-1: Summary of factors specific to Cramlington NP with a potential impact on neighbourhood plan housing quantity

Factor	Source(s) (detailed in Chapter 8)	Possible impact on future housing need	Rationale for judgement
Employment and Commuting	Census 2001/ 2011, http://commute.datashine.org.uk , The North East SEP, 2017		<p>Although the economy of Northumberland is under-performing, the local economy of Cramlington is doing well compared to the rest of the County and has benefited from recent investments which have strengthened the retail and leisure offer in the area.</p> <p>A number of industries, including large employers such as MSK and PII, are concentrated in the town's well developed industrial estates, which include advanced manufacturing, pharmaceuticals and business services.</p> <p>There are also new major sites to come forward including at Northumberland Business Park and West Hartford. These aspects, together with the proximity of Cramlington and its integration to the competitive city-region of Newcastle, is likely to have an impact on housing.</p>
Housing Sales (Prices)	Land Registry Price Paid Data for 2008-2017, SHMA15		<p>Houses in Cramlington are relatively affordable, especially terraces and flats. Prices have moderately grown over the 9-year period, with the notable exception of detached houses (19% growth) and flats (21% decrease).</p> <p>The mean house price is higher than the County's average; however, this is explained by expensive detached and semi-detached houses which drive the average price up. Higher prices for the aforementioned two types suggest a strong demand/lack of that particular type in the NA. Therefore, according to Price Paid Data between 2008 and 2017, there is firm demand for detached and semi-detached houses, while terraces and especially flats seem less favored.</p> <p>Consequently, we have applied one up arrow to account for the firm demand</p>




Factor	Source(s) (detailed in Chapter 8)	Possible impact on future housing need	Rationale for judgement
Housing Sales (Volume)	Land Registry Price Paid Data for 2007-2016, Census 2001/2011 data, SHMA15		<p>identified for detached and semi-detached houses.</p> <p>Semi-detached and terraced dwellings formed the majority of total sales with 1165 and 1027 sales respectively between 2008 and 2017. Detached dwellings come in third position, with 703 dwellings sold over that period, whilst there have only been a relatively small number of flats sold. The low quantity of flats sold, together with low sale prices for that same type, suggests a deflated demand for flats.</p> <p>The stock of different property types in relation to sales in 2017 indicates little discrepancy and a relative equilibrium. Therefore there is no recommendation to alter dwelling targets in the light of market signals relating to quantity data.</p>
Migration	Census 2001/ 2011		Migration is not seen as a significant factor in determining housing need.
Rate of development	Census 2001/ 2011, Northumberland County Council, SHMA15		<p>Completions rates are below the planned targets. Based on the Northumberland Five-Year Supply of Deliverable Sites, Cramlington should have been building 486 dwellings between 2011 and 2017, yet only 291 were built, creating a shortfall of 195. Consequently, there is evidence to demonstrate significant under delivery since 2011 and this market signal indicates the need for additional planned supply.</p>

Table 9-2: Summary of local factors specific to Cramlington with a potential impact on neighbourhood plan housing characteristics

Factor	Source(s) (see relevant chapters for more detail)	Possible impact on housing needed	Conclusions
Affordable Housing⁵⁰	CHNA	<p>As part of this study AECOM has considered the method employed by Arc4 in the CHNA to answer RQ2; we have not conducted our own separate assessment of Affordable Housing need in the NA.</p> <p>The CHNA follows adopted practice with regards to assessing AH needs, and how this need may be addressed through different tenures.</p> <p>The method described in Appendix C should give CTC confidence that the findings are based on a robust and transparent methodology.</p>	CHNA provides a sound basis on which to develop AH policy in the NA with the sole proviso that CTC should be aware of recent policy developments at the national level, in particular the recent emergence of the consultation draft of the NPPF18. As a result, CTC is able to influence whether Starter Homes do form part of Affordable Housing allocation in the NA, and whether they wish to meet MHCLG's policy expectation that 10% of AH fall into this tenure. We note there is a clear recommendation from the CHNA that Starter Homes do have a role to play.
Demand/need for smaller dwellings	Census 2001/2011, Cramlington HNA 2016, ONS SNPP 2014, MHCLG Household Projections 2014	Whilst the average home is slightly smaller in Cramlington than across Northumberland, 47.7% of homes in Cramlington were 3 bedrooms, verses 43.2% in Northumberland. There were also far more semi-detached homes in Cramlington than in Northumberland, far fewer detached homes. There were also far fewer flats in Cramlington than in Northumberland or England.	The evidence we have assembled suggests there will be a significant need for smaller properties of two bedrooms moving forward, given both the aging population and the preferences of younger households. Such a recommendation, if carried through, would also help to balance the type of housing available in Cramlington, which currently does not have a significant number of flats available, in spite of household demand shown in surveys. Smaller dwellings are likely to best be provided as flats, and such developments may also be able to meet the demand for bungalows from older people.
Demographic change	Census 2001/2011, Cramlington HNA 2016, ONS SNPP 2014, MHCLG Household Projections 2014	The data presented suggests that there will be significant demographic shifts in Cramlington until the end of the Plan Period, with all age groups except those over 65 decreasing in numbers, and those aged 85 and over increasing by up to 50% across Northumberland. This is in line with trends from 2001-2011 in Cramlington which saw all age groups above 45 grow, and those under 45 shrink, with those aged 85 and over growing in the NA by 54.2%.	Demographic change is influenced by a wide range of factors which are likely to be difficult to influence purely through planning policy. Most people under 30 not living with their parents are likely to live in properties of two bedrooms or less, therefore smaller homes, likely to be flats, are most appropriate to attract younger age groups to Cramlington.
Dwelling type	Census 2001/2011, Cramlington HNA 2016	Survey data suggests that existing households overwhelmingly prefer houses, whilst newly forming households overwhelmingly prefer flats.	In general, the conclusions reached above suggest that flats would be the most appropriate type of housing to build in Cramlington. However, it is

⁵⁰ The term 'Affordable Housing' denotes the planning definition set out on page 50 of the National Planning Policy Framework, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf

Factor	Source(s) (see relevant chapters for more detail)	Possible impact on housing needed	Conclusions
		This is particularly problematic given the low proportion of flats in the NA described above. Older households may prefer bungalows, but these are in relatively short supply, with just 10% of the housing stock represented in bungalows according to survey data.	worth considering whether some form of ground floor access accommodation could be provided in blocks of flats to meet the needs (and aspirations) of older residents, given that these are not materially different to bungalows.
Family-sized housing	Census 2001/2011, Cramlington HNA 2016	Families with children living at home (i.e. dependent) comprise a slightly smaller proportion of the population of Cramlington (23.1%) as those with no children (23.6%). There is a significant proportion of the housing stock made up of 3 bedroom homes, but a slight lack of smaller homes.	We do not consider there to be a significant need for family-sized housing going forwards in Cramlington, given that the projected household changes in Northumberland show very significant increases in one and two person households, and quite significant decreases in larger households including families.
Housing for independent living for older people	Census 2001/2011, Cramlington HNA 2016, HLIN	There is likely to be a significant demographic shift in the population, potentially more than doubling the number of people aged 75+ in Cramlington. However, current provision rates are less than 60% of the national average for specialist housing excluding care homes.	We would recommend that CTC plan for 203 additional specialist dwellings, or approximately 10 per annum until end of the Plan Period. At this scale, a specialist, dedicated development could be envisaged, such as a retirement village or other co-housing type project, although bungalows and ground floor flats may also be able to suitably house older people so as to encourage their independence for longer.

Recommendations for next steps

208. This neighbourhood plan housing needs advice has aimed to provide CTC with evidence on housing trends from a range of sources. We recommend that the Town Council should, as a next step, discuss the contents and conclusions with NCC with a view to agreeing and formulating draft housing policies, in particular the appropriate approach to identifying the level of need for new housing in the NP area, bearing the following in mind:

- Neighbourhood Planning Basic Condition A, that it has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the neighbourhood plan contributes to the achievement of sustainable development; and Condition E, which is the need for the neighbourhood plan to be in general conformity with the adopted strategic development plan;
- the views of NCC – in particular in relation to the housing need figure that should be adopted in the context of the eLP and changing guidance at a national level;
- the views of local residents;
- the views of other relevant local stakeholders, including housing developers;
- the numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by NCC, including but not limited to the SHLAA;
- the findings and recommendations of this study; and
- the impact of the new Government proposed standard methodology on calculating housing need on the district and its neighbourhoods.

209. Recent changes to the planning system, changes to the NPPF, as well as the implementation of the Housing and Planning Act, will continue to affect housing policies at a local authority and, by extension, a neighbourhood level.
210. This advice note has been provided in good faith by AECOM on the basis of housing data and national guidance current at the time of writing (alongside other relevant and available information).
211. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the NCC or any other relevant body and review the neighbourhood plan accordingly to ensure that general conformity is maintained.
212. At the same time, monitoring on-going demographic or other trends over the period in which the neighbourhood plan is being developed (factors summarised in Table 9-1 and 9-2); monitoring of this kind may trigger a review of the policy position adopted in the draft NP in light of changes in key indicators.

Appendix A : Definitions of Specialist Housing

A.1 Sheltered Housing

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bedroomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden. Source: <http://www.housingcare.org/jargon-sheltered-housing.aspx> (accessed 11/11/17)

A.2 Extra Care Housing

New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming more frail and less able to do everything for themselves. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very or enhanced sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. In addition to the communal facilities often found in sheltered housing (residents' lounge, guest suite, laundry), Extra Care often includes a restaurant or dining room, health & fitness facilities, hobby rooms and even computer rooms. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, owned or part owned/part rented. There is a limited (though increasing) amount of Extra Care Housing in most areas and most providers set eligibility criteria which prospective residents have to meet. <http://www.housingcare.org/jargon-extra-care-housing.aspx> (accessed 11/11/17)

