

Humshaugh

Housing Needs Assessment (HNA)

July 2023

Quality information

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

Revision History

Revision	Date	Authorized	Position
1. First Draft	May 2023	Olivia Carr	Housing Consultant
2. Internal Review	May 2023	Paul Avery	Principal Housing Consultant
3. Group Review	June 2023	Kaeti Seth	Parish Council Clerk
4. Locality Review	July 2023	Annabel Osborne	Neighbourhood Planning Officer
5. Final Report	July 2023	Olivia Carr	Housing Consultant

Prepared for: Humshaugh Parish Council

Prepared by:

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

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

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

Table of Contents

1. Executive Summary.....	6
2. Context.....	11
Local context.....	11
The NA boundary and key statistics.....	11
The housing market area context.....	13
Planning policy context.....	13
Quantity of housing to provide.....	14
3. Objectives and approach.....	15
Objectives.....	15
Affordability and Affordable Housing.....	15
Type and Size.....	15
Specialist Housing for Older People.....	16
Approach.....	16
4. Affordability and Affordable Housing.....	18
Introduction.....	18
Definitions.....	18
Current tenure profile.....	19
Affordability.....	20
House prices.....	20
Income.....	21
Affordability Thresholds.....	21
Estimates of the need for Affordable Housing.....	26
Evidence in the SHMA.....	26
AECOM Estimates.....	26
Additional evidence of Affordable Housing needs.....	27
Affordable Housing policies in Neighbourhood Plans.....	28
Application of Local Plan policies.....	28
Affordable Housing at Neighbourhood level.....	28
Conclusions- Tenure and Affordability.....	29
5. Type and Size.....	32
Introduction.....	32
Definitions.....	32
The current housing mix.....	33
Dwelling type.....	33
Dwelling size.....	34
Population characteristics.....	35
Age.....	35
Household composition and occupancy.....	36
Future population and size needs.....	39
Age.....	39
Tenure.....	40
Type.....	42
Conclusions- Type and Size.....	43
6. Specialist housing for older people.....	45
Introduction.....	45

Definitions	46
Specialist housing for older people.....	46
Demographic characteristics	46
Future needs for specialist accommodation and adaptations.....	48
Further considerations.....	49
Care homes.....	50
The Role of Mainstream Housing	51
Conclusions- Specialist Housing for Older People	52
7. Next Steps	55
Recommendations for next steps	55
Appendix A : Assessment geography	56
Appendix B : Local Plan context.....	58
Policies in the adopted local plan	58
Appendix C : Affordability calculations.....	62
C.1 Market housing	62
i) Market sales	62
ii) Private Rented Sector (PRS).....	63
C.2 Affordable Housing	64
i) Social rent.....	64
ii) Affordable rent.....	65
iii) Affordable home ownership	65
Appendix D : Affordable Housing need and policy.....	70
Affordable Housing estimates.....	70
Affordable housing policy	73
Appendix E : Specialist housing for older people	77
Background data tables.....	77
HLIN calculations	77
Appendix F : Housing Needs Assessment Glossary	79

List of acronyms used in the text:

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

1. Executive Summary

1. Humshaugh is a Neighbourhood Area (NA) located in the local authority area of Northumberland. The NA boundary covers the areas administered by Humshaugh Parish Council.
2. The 2021 Census recorded 713 individuals in Humshaugh, indicating an increase of 91 people since the 2011 Census.
3. There has been some development in Humshaugh in recent years. Northumberland Council has provided data showing that 69 new homes have been built since 2011. Of these, 21 were delivered as Affordable Housing. The current total number of dwellings in the NA is therefore estimated to be 359 dwellings. 2021 Census dwellings data suggests there were 357 dwellings in the NA at this time (compared to 290 in 2011). Outstanding commitments (dwellings on sites with planning permission) total 11 homes.
4. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Parish Council at the outset of the research.
5. Data from the 2021 Census is being released throughout 2023. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections where necessary to build up evidence at the neighbourhood level.

Conclusions- Tenure and Affordability

Current tenure profile

6. In 2021 61.7% of households in Humshaugh owned their own home. The proportion of households living in Affordable Housing in the NA was 17.6% compared to 18.3% in Northumberland, and 18.1% nationally. The greatest disparity was in the private rented sector, with a greater proportion of households in the NA and England living in private rented dwellings than the local authority area.

Affordability

7. Between 2013 and 2022 there was quite significant fluctuation in house prices, with clear peaks in 2015 and 2021. The median house price grew by 35.8%, peaking in 2021 at £499,950, before dropping to £351,000 in 2022. The lower quartile grew less rapidly, by 13.9%. Lower quartile prices also peaked in 2021, at £450,000, falling to £243,750 in 2022.
8. Local households on average incomes appear unable to access even entry-level homes unless they have the advantage of a very large deposit. The median house price would require an annual income over double the current average. Private renting is generally

only affordable to average earners. Households made up of one or two lower quartile earners cannot afford the given rental thresholds.

9. Looking at affordable home ownership, there is a relatively large group of households in Humshaugh who may be able to afford to rent privately but cannot afford home ownership and so may benefit from affordable home ownership products. It is suggested that First Homes in Humshaugh are delivered at a 50% discount, making the product marginally accessible to households on mean incomes. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with shared ownership at 25% and 10% equity accessible to households on mean incomes. For some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of these households.
10. Affordable rented housing is generally affordable to households with two lower earners. However, households with a single lower earner appear to only be able to afford socially rented units.

The need for Affordable Housing

11. AECOM estimates the need for 2.1 affordable rented homes per annum in Humshaugh, equating to a total of 27.2 over the plan period. AECOM also estimates the potential demand for 2.6 affordable home ownership dwellings per annum in Humshaugh, or 33.3 over the Neighbourhood Plan period.

Affordable Housing policy

12. AECOM suggests an indicative mix of Affordable Housing for the NA, chiefly in response to the expectation that the delivery of Affordable Housing will be significantly lower than the needs identified. The Local Plan guideline mix of 67% affordable rented housing and 33% affordable home ownership is deemed appropriate for Humshaugh. Within this, it is recommended that 25% of Affordable Housing is delivered as First Homes (at a 50% discount), in line with national policy. To maximise choice it is suggested that the remaining 8% is delivered as shared ownership dwellings (at 25% equity or below).
13. The expected level of delivery does not meet quantity of demand identified in estimates of the need for Affordable Housing. It is therefore recommended that the policy requirement is met wherever possible, and that further avenues for delivering greater quantities of Affordable Housing (such as exception sites) are explored.
14. Affordable Housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

Conclusions- Type and Size

The current housing mix

15. In 2021 the greatest proportion of households lived in detached dwellings. Between 2011 and 2021 the proportion of households living in detached and semi-detached dwellings increased whilst the proportion of households living in terraced dwellings and flats decreased. In 2021 no households in Humshaugh lived in flats, a decrease since 2011. Humshaugh had a significantly greater proportion of households living in detached dwellings than Northumberland and England. There were significantly fewer households living in terraced dwellings than the comparator geographies. VOA data indicates that 26.4% of dwellings in the proxy area for the NA were bungalows in 2021, greater than Northumberland as a whole (11.7%) and the country (9.2%).
16. Turning to dwelling size, between 2011 and 2021 the proportion of households living in different dwelling sizes was relatively stable. In 2021 the greatest proportion of households lived in 4+ bedroom dwellings (40.3%), with completions data showing that over half of development in the last decade fell into this size category. There was only a small proportion of the smallest 1-bedroom dwellings in the NA and no development of this size in the last decade.
17. A significantly higher proportion of households lived in 4+ bedroom dwellings in Humshaugh (40.3%) than Northumberland (21.8%) and England (21.1%). Due to the high proportion, a smaller proportion of households lived in all other dwelling sizes in the NA than the comparator geographies. This is most significant when looking at mid-sized 3-bedroom family homes.

Population characteristics

18. Between 2011 and 2021 the population of Humshaugh grew by 14.6%, compared to an increase of just 1.4% across Northumberland. In 2021 the greatest proportion of the population was aged 45-64. There was a significant increase in the number of people and proportion of the population aged 65-84, indicative of an aging population, alongside the increase in the population aged 85 and over. The only population decrease over the decade was in the number of people aged 15-24, which saw a 22.2% decline, perhaps suggesting that young adults have moved out of the NA, potentially due to affordability challenges in the housing market.
19. Humshaugh had a smaller proportion of single person households than Northumberland, although a greater proportion aged 66 and over in 2021. When looking at family households, Humshaugh had a greater proportion of family households than the comparator geographies, and as with single person households, the greatest proportion of family households aged 66 and over. There was a greater proportion of households with no children in the NA, and a smaller proportion of households with dependent children in Humshaugh than nationally.
20. Under-occupancy was relatively common in Humshaugh in 2021, with 83.5% of households living in a dwelling with at least one more bedroom than required based on their household size. This was most common in families aged 66+, families under 66 with

no children, and single persons under 66. While not uncommon, this might suggest that the larger housing is not necessarily occupied by households with the most family members, but by households with the most wealth, or by older households that have been unable or unwilling to downsize.

21. There is also some over-occupancy in the NA, namely in family households with children, with 4-5% of these households living in a dwelling with too few bedrooms based on their household size in 2021.

Future population and size needs

22. Population growth in Humshaugh can be expected to be driven by the oldest households during the plan period, with households with a household reference person aged 65 and over projected to increase by 61%. Households with a household reference person aged 65 and over would therefore account for 48.9% of households in 2036, compared to 35.6% in 2011. It is projected that there will be decreases in the number of households with a household reference person aged 54 and under in Humshaugh over the plan period.
23. AECOM modelling suggests that by the end of the plan period there should be an increase in the proportion of 1-bedroom, 2-bedroom, and 3-bedroom dwellings, and a decrease in the proportion of larger dwellings. In order to reach this suggested mix it is recommended that new development focusses on smaller and mid-sized dwellings. The complete restriction of the delivery of 4+ bedroom dwellings is not always necessary or appropriate, as discussed further in the main report.
24. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

Conclusions- Specialist Housing for Older People

25. At the time of writing this report there were no units of specialist accommodation for older people in Humshaugh. The Parish Council however note that there are 16 dedicated bungalows for older people in the NA, 2 of which are Almshouses.
26. Census data suggests that in 2021 there were 91 individuals aged 75+ in the NA. It is projected that by the end of the plan period this may increase to 142, with the 75+ population accounting for 19.0% of the population by 2036.

Specialist housing for older people

27. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
28. These two methods of estimating the future need in Humshaugh produce a range of 13 to 18 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming

that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

29. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations, 2/3 of the need is identified for market specialist housing, with 1/3 affordable. The need for sheltered housing (61.1%) is greater than the need for extra-care housing (38.9%), with the greatest sub-category of need for market sheltered housing, at 38.9% of the total need. The market sheltered housing need is for individuals with less severe limitations and at least some of this could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
30. It is important for specialist housing for older people to be provided in sustainable, accessible locations, with cost-effectiveness and economies of scale also important factors to consider. It is considered that Humshaugh may be a less suitable location for specialist accommodation for older people. Nearby settlements, such as Hexham, may be more appropriate for the delivery of specialist housing for older people.

Care homes

31. Care home accommodation is defined as institutional accommodation rather than housing. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on this rate and the expected increase of 91 individuals aged 75+ between 2021 and 2036, it is estimated that in 2036 there would be a need for 3.3 additional care home beds in the NA compared to 2021. Some of the need for care home beds might be met by independent housing accommodation and vice versa.

Adaptable and accessible housing

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

2. Context

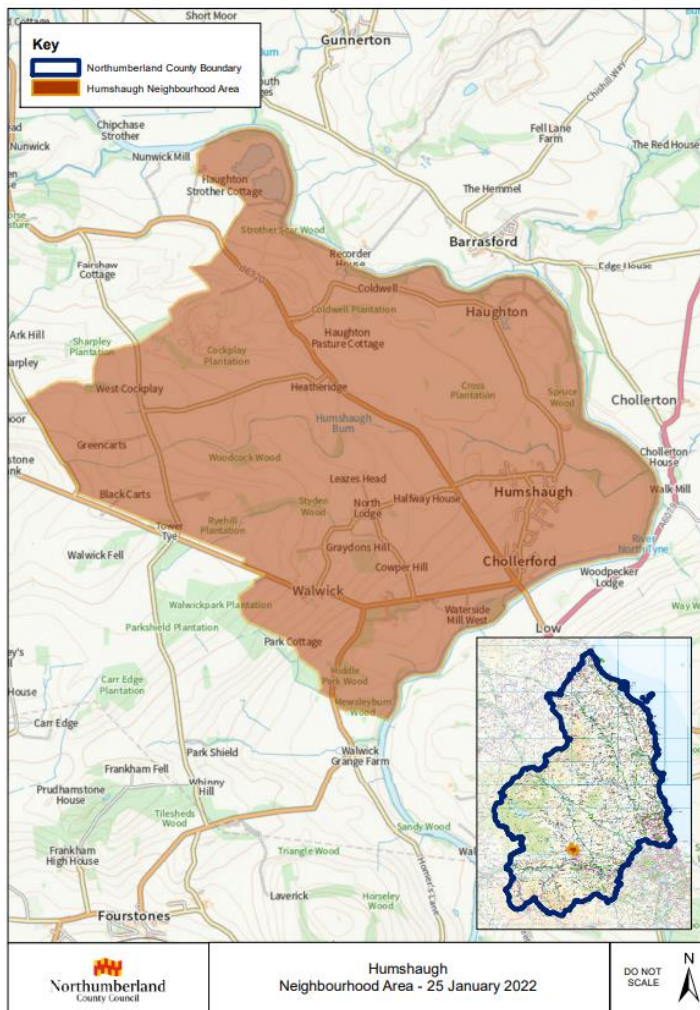
Local context

34. Humshaugh is a Neighbourhood Area (NA) located in the local authority of Northumberland in the North East of England. The NA boundary aligns with the parish boundary and was designated in March 2022 by Northumberland Council and The Northumberland National Park Authority.
35. The Neighbourhood Plan is envisaged to start in 2023 and extend to 2036, therefore covering a period of 13 years. The evidence supplied in this report will look forward to the Plan end date of 2036, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
36. Humshaugh NA is comprised of a number of settlements, shown in Figure 2-1, including Humshaugh, Chollerford, Haughton, Lincoln Hill, and Walwick. A small western part of the NA is located within Northumberland National Park. The NA is located approximately 6 miles north of Hexham and around 23 miles west of Newcastle upon Tyne. Hexham train station provides connections to larger settlements including Newcastle, Sunderland, Hartlepool, Middlesbrough, and Carlisle. In terms of amenities, the NA has a village hall, shop, GP surgery, church, primary school, and a hotel and B&Bs to accommodate visitors to Hadrian's Wall and the surrounding area.

The NA boundary and key statistics

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

Figure 2-1: Map of the Humshaugh Neighbourhood Area



Source: Northumberland Council

38. At the time of the 2011 Census the NA was home to 622 residents, formed into 267 households and occupying 290 dwellings. The 2021 Census indicates population growth of around 91 individuals (or 14.6%) since 2011¹, recording a total of 713 residents and 339 households. The average household size fell.
39. Completions data provided by Northumberland Council outlines that 69 net dwellings were delivered between 2011/12 and 2021/22, giving an estimated dwelling total of 359 dwellings. 2021 Census data suggests there were 357 dwellings in Humshaugh at this time, in line with the completions data added to 2011 data. This increase in dwellings is broadly in line with the increase in households over the last decade (an increase of 72 households).
40. Between 2011 and 2021 the number of dwellings across Northumberland increased by 11,091 according to Census data, an increase of 7.5%. This is significantly lower than the increase in dwellings recorded in Humshaugh, of 23.1% over the decade.

¹ It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.

The housing market area context

41. Whilst this HNA focuses on Humshaugh NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
42. In the case of Humshaugh, the NA sits within the self-contained housing market area of Northumberland. This means that when households who live in this authority move home, the vast majority move within this geography. The 2015 Strategic Housing Market Assessment (SHMA) identifies 4 sub market areas (Central, North, South East, and West). The 2018 partial update of the SHMA identifies the NA as in the A68 and A69 Tyne Corridor Outer West in the West Delivery Area (close to the boundary of the Tyneside Commuter Belt (West) in the Central Delivery Area). Despite being a self-contained HMA, Northumberland also has links to other neighbouring areas, including North Tyneside, Newcastle, Gateshead, Durham, Carlisle, the Scottish Borders, and Northumberland National Park.
43. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Humshaugh, are closely linked to other areas. In the case of Humshaugh, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.
44. In summary, Humshaugh functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Northumberland and the Northumberland National Park Authority), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

45. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.² In the case of Northumberland, the relevant adopted Local Plan consists of the Northumberland Local Plan 2016-2036, adopted in March 2022³. This sets out how and where land is to be developed in Northumberland in relation to new homes, places of employment, services, and facilities.
46. Part of the NA also falls within the Northumberland National Park, with the Local Plan

² A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

³ Available at: <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Local%20Plan/Northumberland-Local-Plan-Adopted-March-2022.pdf>

adopted in July 2020⁴. This plan contains planning policies which guide the development and use of land in the National Park.

47. A detailed breakdown of the Northumberland Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the adopted Local Plan:

- Adopted Local Plan Policy HOU2 identifies an overall housing target of 17,700 dwellings over the Local Plan period for the local authority area;
- In Policy STP1 Humshaugh is designated as a Service Village (along with Chollerford), which will provide for a proportionate level of housing and be the focus for investment in rural areas;
- Policy HOU6 states that 30% of all new dwellings are expected to be delivered as Affordable Housing on sites larger than 10 homes. The suggested tenure mix within Affordable Housing is 67% affordable rent to 33% affordable home ownership;
- Policy HOU11 sets out an expectation that 20% of new market homes and 50% of new affordable homes will be built to Category M4(2) accessibility standards.

48. A detailed breakdown of the Northumberland National Park Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the adopted Local Plan:

- Adopted Policy ST4 does not identify Humshaugh as a Named Settlement. Development will only be permitted in the Open Countryside in specific circumstances;
- Policy ST5 outlines that all new residential development of more than 5 dwellings will have a mix of dwellings that will meet the needs of present and future generations;
- Policy DM3 notes that the development of 100% affordable dwellings will be permitted as an exception to policy on sites adjoining a Named Settlement (although Humshaugh is not a named settlement).

Quantity of housing to provide

49. The NPPF 2021 (paragraphs 66 and 67) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

50. Northumberland Council has fulfilled that requirement by providing Humshaugh with an indicative figure of 28 dwellings to be accommodated within the NA by the end of the Plan period. This has already been exceeded and so the residual requirement is considered to be 0.

⁴ Available at: <https://www.northumberlandnationalpark.org.uk/wp-content/uploads/2020/09/Northumberland-National-Park-Local-Plan-July-2020-.pdf>

3. Objectives and approach

Objectives

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

Affordability and Affordable Housing

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

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

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

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

Type and Size

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

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

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

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

Specialist Housing for Older People

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

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

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

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

Approach

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

- ONS population and household projections for future years;
- ONS population age estimates for parishes (as 2021 Census data does not yet include age profile at small scales);
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Rightmove.co.uk;
- Local Authority housing waiting list data;
- Northumberland Strategic Housing Market Assessment (SHMA), 2015⁵; and

⁵ Available at <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Studies%20and%20Evidence%20Reports/Housing%20Studies/2.%20SHMA/Strategic-Housing-Market-Assessment-2015.pdf>

- Northumberland Partial SHMA Update, 2018⁶.

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

⁶ Available at <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Studies%20and%20Evidence%20Reports/Housing%20Studies/2.%20SHMA/NCC-SHMA-June-2018.pdf>

4. Affordability and Affordable Housing

Introduction

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

Definitions

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

As part of this, the Government has introduced a new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.⁷

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

Current tenure profile

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

68. Table 4-1 presents data on tenure in Humshaugh compared with Northumberland and England from the 2021 Census. It shows that in 2021, the greatest proportion of households in Humshaugh owned their own home, at 61.7%. This was broadly in line with national levels but below the proportion across Northumberland as a whole. The proportion of households living in Affordable Housing in the NA was 17.6% compared to 18.3% in Northumberland, and 18.1% nationally. The greatest disparity was in the private rented sector, with a greater proportion of households in the NA and England living in private rented dwellings than the local authority area.

Table 4-1: Tenure (households) in Humshaugh, 2021

Tenure	Humshaugh	Northumberland	England
Owned	61.7%	65.2%	61.3%
Shared ownership	0.6%	0.5%	1.0%
Social rented	17.1%	17.8%	17.1%
Private rented	20.6%	16.5%	20.6%

Sources: Census 2021, AECOM Calculations

69. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). There was an increase in the number of households living in shared ownership dwellings, however this only doubled from 1 to 2 households. There was also a clear increase in the number of households social renting, by 61.1%, indicating the development of some affordable rented housing over the last decade.

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

Tenure	2011	2021	% Change
Owned	158	209	+32.3%
Shared ownership	1	2	+100.0%
Social rented	36	58	+61.1%
Private rented	61	70	+14.8%

Sources: Census 2021 and 2011, AECOM Calculations

⁷ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

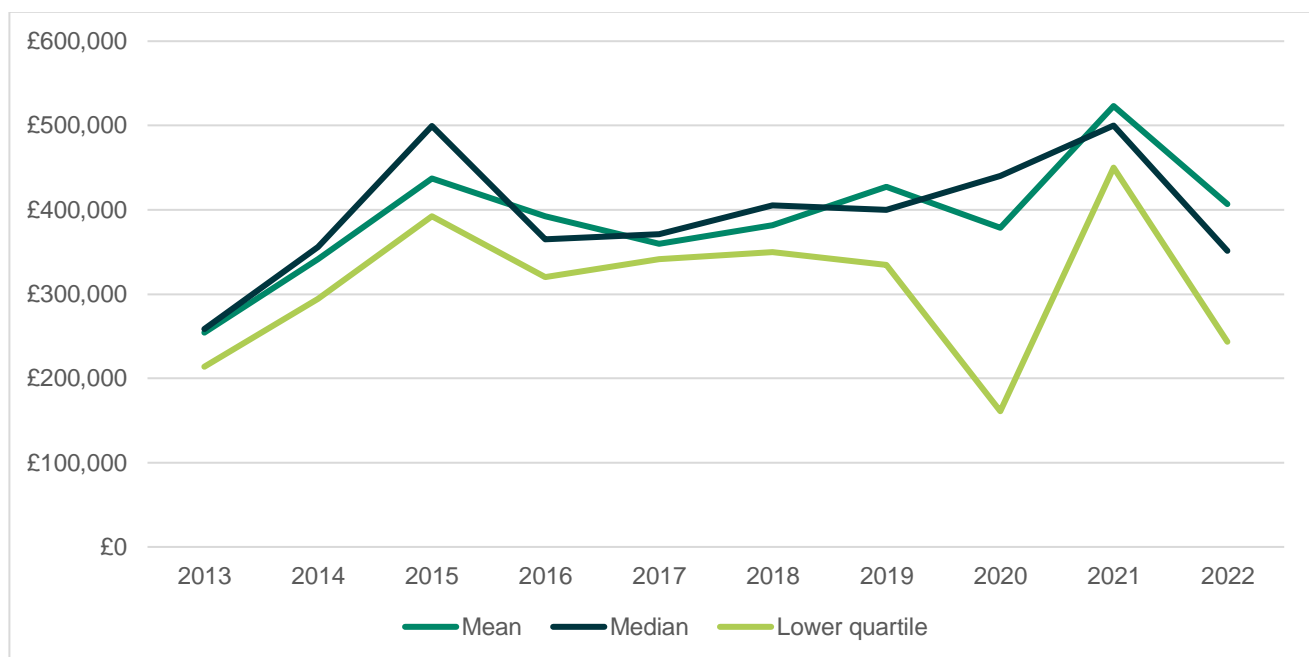
Affordability

House prices

70. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.

71. Figure 4-1 looks at the average and lower quartile house prices in Humshaugh based on sales price data published by the Land Registry. It shows that between 2013 and 2022 there was quite significant fluctuation in house prices, likely due to small sample sizes, with clear peaks in 2015 and 2021. The median house price (the middle number when the data is sorted from smallest to largest) grew by 35.8%, peaking in 2021 at £499,950, before dropping to £351,000 in 2022. The lower quartile house price (the middle figure of the lowest 50% of prices, which is a good representation of entry-level housing) grew less rapidly between 2013 and 2022, by 13.9%. Lower quartile prices also peaked in 2021, at £450,000. The lower quartile house price in 2022 was £243,750.

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



Source: Land Registry PPD

72. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that the greatest growth was in semi-detached house prices, at 232.9% growth between 2013 and 2022. Although detached house prices remained the highest in most years, in 2015, 2019, 2021, and 2022, semi-detached prices were highest. There were no flat transactions over the decade. Within the other 3 categories there was some year-on-year fluctuation in house prices, likely due to small sample sizes (sample sizes shown in brackets in Table 4-3). In this case, characteristics outside of the type of housing, such as

the size, location, and condition of dwellings, can have a greater impact on house prices.

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

Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Growth
Detached	£302,500 (2)	£390,000 (5)	£499,250 (4)	£372,500 (6)	£374,975 (8)	£412,475 (30)	£400,000 (7)	£461,500 (5)	£484,975 (10)	£390,000 (3)	28.9%
Semi-detached	£190,000 (1)	£125,000 (1)	£548,000 (1)	£250,000 (3)	£372,000 (1)	£189,950 (9)	£418,500 (6)	£291,000 (2)	£530,000 (3)	£632,500 (3)	232.9%
Terraced	£222,000 (1)	-	£169,000 (1)	-	£208,000 (1)	£81,000 (1)	£325,000 (1)	£160,500 (2)	-	£241,000 (2)	8.6%
Flats	-	-	-	-	-	-	-	-	-	-	-
All Types	£258,500	£356,000	£499,250	£365,000	£370,975	£404,975	£400,000	£440,000	£499,950	£351,000	35.8%

Source: Land Registry PPD

Income

73. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
74. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £40,900 in 2018 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.
75. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Northumberland's average gross individual lower quartile annual earnings were £15,005 in 2020. To estimate the average income of households with two lower quartile earners, this figure is doubled to £30,010.
76. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

77. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
78. AECOM has determined thresholds for the income required in Humshaugh to buy a home on the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.

79. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.
80. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value of the property to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £40,900	Affordable on LQ earnings (single earner)? £15,005	Affordable on LQ earnings (2 earners)? £30,010
Market Housing						
Median House Price	£315,900	-	£90,257	No	No	No
Estimated NA New Build Entry-Level House Price	£289,495	-	£82,713	No	No	No
LQ/Entry-level House Price	£219,375	-	£62,679	No	No	No
LA New Build Median House Price	£274,046	-	£78,299	No	No	No
Average Market Rent	-	£11,868	£39,560	Yes	No	No
Entry-level Market Rent	-	£10,308	£34,360	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£202,647	-	£57,899	No	No	No
First Homes (-40%)	£173,697	-	£49,628	No	No	No
First Homes (-50%)	£144,748	-	£41,356	Marginal	No	No
Shared Ownership (50%)	£144,748	£4,021	£54,759	No	No	No
Shared Ownership (25%)	£72,374	£6,031	£40,782	Yes	No	No
Shared Ownership (10%)	£28,950	£7,237	£32,396	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£5,007	£16,672	Yes	No	Yes
Social Rent	-	£3,962	£13,195	Yes	Yes	Yes

Source: AECOM Calculations

81. Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give an indication of the costs of various tenures to inform Neighbourhood Plan policy choices. These figures rely on existing data and assumptions, and it is not possible to estimate every possible permutation. The

income figures also disguise a large degree of variation. For simplicity the analysis below speaks in terms of tenure products being 'affordable' or 'not affordable' for different groups, but individual circumstances and the location, condition and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

Market housing for purchase and rent

82. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income over double the current average.
83. Private renting is generally only affordable to average earners. Households made up of one or two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

84. There is a relatively large group of households in Humshaugh who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £34,360 per year (at which point entry-level rents become affordable) and £62,679 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
85. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
86. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It is suggested that First Homes in Humshaugh are delivered at a 50% discount as this makes the product marginally accessible to households on mean incomes.
87. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the Parish Council intends to set a higher First Homes discount level than that set at local authority level, further discussions with the LPA are advised.

88. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with shared ownership at 25% and 10% equity accessible to households on mean incomes. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.⁸ If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
89. Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand home ownership to households on mean incomes. Discounts on *average* rents would make Rent to Buy affordability, in terms of the groups able to access the product, comparable to First Homes and Shared Ownership at the suggested discount levels. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.
90. These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:
- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
 - Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

⁸ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hws48>.

Affordable rented housing

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

Estimates of the need for Affordable Housing

94. This section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

Evidence in the SHMA

95. A SHMA was undertaken for Northumberland in 2015 and updated in 2018. The 2018 study estimates the need for affordable housing in the local authority area based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time.

96. The SHMA identifies the need for 151 net additional affordable homes per annum in Northumberland as a whole. This need is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents. A small proportion of these households may be able to afford shared ownership because in some cases it is more affordable than market rents, especially when available at a share of 25%.

97. When the SHMA figures are pro-rated to Humshaugh based on its fair share of the population (0.2% of the local authority's population (2021 Census)), this equates to 0.3 homes per annum or 3.9 homes over the Neighbourhood Plan period 2023-2036.

98. As the SHMA is relatively dated, AECOM has undertaken calculations below for the estimated need for Affordable Housing in Humshaugh.

AECOM Estimates

99. AECOM estimates the need for 2.1 affordable rented homes per annum in Humshaugh, equating to a total of 27.2 over the plan period. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5 below. This need is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.

100. A caveat worth emphasising is that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2-bedrooms while the applicant household might require 4-bedrooms, may be located in an inappropriate location, or be otherwise unsuitable.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	3.2
Newly arising need	0.7
Supply	1.7
Net shortfall	2.1

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

- 101. AECOM estimate potential demand for 2.6 affordable home ownership dwellings per annum in Humshaugh, equating to a total of 33.3 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6 below.
- 102. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	2.5
Newly arising need	0.2
Supply	0.1
Net shortfall	2.6

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

Additional evidence of Affordable Housing needs

- 103. Data provided by Northumberland Council shows that there were 41 households on the Housing Register for the NA in April 2023, indicating a significant backlog of need. In addition, between March 2022 and March 2023 only one social/affordable rented property became available in the NA, which received 27 bids. This indicates a clear demand (and lack of supply) of social/affordable rented housing in Humshaugh.
- 104. Consultation work undertaken by the Parish Council found that 50.3% of respondents noted a lack of Affordable Housing as a cause for concern for the future of the NA. When asked if they would be in favour of different types of housing development, 64.7% were in favour of starter homes / homes for first time buyers, 60.4% were in favour of Affordable Housing generally, and 57.6% in favour of community led housing (which often is at least partly affordable). Therefore, the delivery of some Affordable Housing in the Neighbourhood Plan period would appear to be supported by the community.

Affordable Housing policies in Neighbourhood Plans

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

Application of Local Plan policies

106. Northumberland's adopted policy on this subject HOU6 requires 30% of all new housing to be affordable in the highest value areas (including Humshaugh). Given that Affordable Housing made up 30.4% of new housing in Humshaugh over the last decade according to Northumberland Council completions figures, it is understood that this target can be met on sites in the NA.

107. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

108. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is broken down in the Local Plan. This outlines that in the highest value areas, such as Humshaugh, 67% of Affordable Housing should be for rent and 33% for affordable home ownership.

Affordable Housing at Neighbourhood level

109. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Humshaugh on the basis of identified housing need and a range of other considerations detailed in Appendix D.

110. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here. In this context, affordable rented tenures should be prioritised. The Local Plan guideline mix of 67% rented to 33% ownership appears to offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally.

111. When looking at affordable home ownership products specifically, it is recommended that 25% of Affordable Housing is delivered as First Homes, in line with national policy. In Humshaugh it is suggested that this product is delivered at a 50% discount to make the product accessible to households on mean incomes. It is recommended that the remaining 8% is allocated to shared ownership in the interests of diversity and maximising choice, with shared

ownership at 25% and 10% equity accessible to households on mean incomes. Rent to Buy does not feature in this tenure mix in order to prioritise affordable rented housing delivery.

112. Where the Parish Council wishes to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Northumberland Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

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

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	33%	
First Homes	25%	Product untested so uncertainties around viability, developer, lender, and buyer appetite etc.
Shared ownership	8%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RP's business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	0%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	67%	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current tenure profile

113. In 2021 61.7% of households in Humshaugh owned their own home. The proportion of households living in Affordable Housing in the NA was 17.6% compared to 18.3% in Northumberland, and 18.1% nationally. The greatest disparity was in the private rented sector, with a greater proportion of households

in the NA and England living in private rented dwellings than the local authority area.

Affordability

114. Between 2013 and 2022 there was quite significant fluctuation in house prices, with clear peaks in 2015 and 2021. The median house price grew by 35.8%, peaking in 2021 at £499,950, before dropping to £351,000 in 2022. The lower quartile grew less rapidly, by 13.9%. Lower quartile prices also peaked in 2021, at £450,000, falling to £243,750 in 2022.
115. Local households on average incomes appear unable to access even entry-level homes unless they have the advantage of a very large deposit. The median house price would require an annual income over double the current average. Private renting is generally only affordable to average earners. Households made up of one or two lower quartile earners cannot afford the given rental thresholds.
116. Looking at affordable home ownership, there is a relatively large group of households in Humshaugh who may be able to afford to rent privately but cannot afford home ownership and so may benefit from affordable home ownership products. It is suggested that First Homes in Humshaugh are delivered at a 50% discount, making the product marginally accessible to households on mean incomes. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with shared ownership at 25% and 10% equity accessible to households on mean incomes. For some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of these households.
117. Affordable rented housing is generally affordable to households with two lower earners. However, households with a single lower earner appear to only be able to afford socially rented units.

The need for Affordable Housing

118. AECOM estimates the need for 2.1 affordable rented homes per annum in Humshaugh, equating to a total of 27.2 over the plan period. AECOM also estimates the potential demand for 2.6 affordable home ownership dwellings per annum in Humshaugh, or 33.3 over the Neighbourhood Plan period.

Affordable Housing policy

119. AECOM suggests an indicative mix of Affordable Housing for the NA, chiefly in response to the expectation that the delivery of Affordable Housing will be significantly lower than the needs identified. The Local Plan guideline mix of 67% affordable rented housing and 33% affordable home ownership is deemed appropriate for Humshaugh. Within this, it is recommended that 25% of Affordable Housing is delivered as First Homes (at a 50% discount), in line with national policy. To maximise choice it is suggested that the remaining 8% is delivered as shared ownership dwellings (at 25% equity or below).
120. The expected level of delivery does not meet quantity of demand identified in estimates of the need for Affordable Housing. It is therefore recommended that the

policy requirement is met wherever possible, and that further avenues for delivering greater quantities of Affordable Housing (such as exception sites) are explored.

121. Affordable Housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

5. Type and Size

Introduction

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

Definitions

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

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

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

The current housing mix

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

Dwelling type

128. Table 5-1 shows that in both 2011 and 2021 the greatest proportion of households lived in detached dwellings, with the proportion increasing over the decade. The proportion of households living in semi-detached dwellings increased more significantly, from 29.7% in 2011 to 34.4% in 2021. The proportion of households living in both terraced dwellings and flats decreased, with the number of households living in flats decreasing to 0 in 2021. This may suggest that there were fewer more affordable housing types in the NA in 2021 than 2011.

129. Unfortunately Census data does not count bungalows as a separate category, instead counting them within the other dwelling types (usually detached and semi-detached). Valuation Office Agency (VOA) data counts bungalows as a separate category, although at a slightly larger geography (outlined in Appendix A) than the NA. 2021 VOA data indicates that 26.4% of dwellings in the proxy area for the NA were bungalows, greater than Northumberland as a whole (11.7%) and the country (9.2%).

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

Type	2011	%	2021	%
Detached	135	46.6%	162	48.1%
Semi-detached	86	29.7%	116	34.4%
Terrace	63	21.7%	59	17.5%
Flat	5	1.7%	0	0.0%
Total	290	-	337	-

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

130. Table 5-2 compares the NA mix to wider benchmarks. It shows that in 2021 Humshaugh had a significantly greater proportion of households living in detached dwellings than Northumberland and England. When looking at semi-detached dwellings, the proportion of households living in this dwelling type was above national levels but below the local authority. There were significantly fewer households living in terraced dwellings than the comparator geographies. As noted above, there were no households living in flats in Humshaugh, well below the local authority and country. It is not unusual for rural parishes to have a small proportion of households living in flats.

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

Type	Humshaugh	Northumberland	England
Detached	48.1%	27.2%	22.9%
Semi-detached	34.4%	36.1%	31.5%
Terrace	17.5%	25.7%	23.0%
Flat	0.0%	10.7%	22.2%

Source: Census 2021, AECOM Calculations

Dwelling size

131. Table 5-3 below presents the current housing mix in terms of size. It shows that between 2011 and 2021 the proportion of households living in different dwelling sizes was relatively stable, with small increases in the proportion of households living in 3+ bedroom dwellings. In 2021 the greatest proportion of households lived in 4+ bedroom dwellings (40.3%), with completions data showing that over half of development in the last decade fell into this size category. There was only a small proportion of the smallest 1-bedroom dwellings in the NA in 2021, with 5.1% of households living in a dwelling of this size, and no development of this size in the last decade.

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

Number of bedrooms	2011	%	2021	%	2011/12 – 2021/22 Completions
1	14	5.2%	17	5.1%	0
2	66	24.7%	80	23.9%	16
3	81	30.3%	103	30.7%	17
4+	106	39.7%	135	40.3%	36
Total	267	-	335	-	69

Source: ONS 2021 and 2011, AECOM Calculations

132. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider local authority and country. Table 5-4 shows that in 2021, a significantly higher proportion of households lived in 4+ bedroom dwellings in Humshaugh (40.3%) than Northumberland (21.8%) and England (21.1%). Due to the high proportion, a smaller proportion of households lived in all other dwelling sizes in the NA than the comparator geographies. This is most significant when looking at mid-sized 3-bedroom family homes.

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

Number of bedrooms	Humshaugh	Northumberland	England
1	5.1%	7.2%	11.6%
2	23.9%	28.1%	27.3%
3	30.7%	42.9%	40.0%
4+	40.3%	21.8%	21.1%

Source: Census 2021, AECOM Calculations

Population characteristics

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

Age

134. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. This shows that in both 2011 and 2021, the greatest proportion of the population was aged 45-64, though the proportion decreased in this time. There was a significant increase in the number of people (+47.7%) and proportion of the population (20.9% to 26.9%) aged 65-84, indicative of an aging population alongside the increase in the population aged 85 and over. The only population decrease over the decade was in the number of people aged 15-24, which saw a 22.2% decline, perhaps suggesting that young adults have moved out of the NA, potentially due to affordability challenges in the housing market, as well as external factors such as leaving for employment opportunities. This meant that the proportion of the population in this age category fell from 7.2% to 4.9%.

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

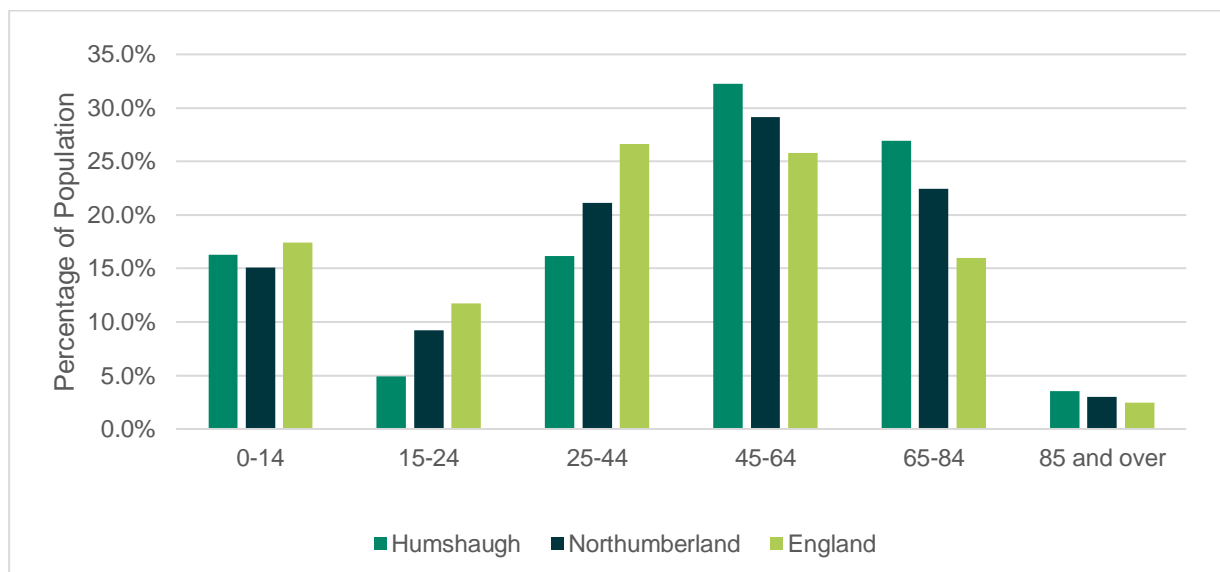
Age group	2011 (Census)		2021 (Census)		Change
0-14	112	18.0%	116	16.3%	+3.6%
15-24	45	7.2%	35	4.9%	-22.2%
25-44	105	16.9%	115	16.1%	+9.5%
45-64	213	34.2%	230	32.3%	+8.0%
65-84	130	20.9%	192	26.9%	+47.7%
85 and over	17	2.7%	25	3.5%	+47.1%
Total	622	-	713	-	+14.6%

Source: *ONS 2011, ONS 2021, AECOM Calculations*

135. Between 2011 and 2021 the population of Humshaugh grew by 14.6%, compared to an increase of just 1.4% across Northumberland. This suggests that population growth has been greater in Humshaugh over the last decade.

136. For context, it is useful to look at the NA population structure alongside that of the local authority and country. Figure 5-1 (using 2021 Census data) shows that Humshaugh had a greater proportion of the population aged 45+ than Northumberland and England. The NA had a smaller proportion of the population aged 15-44 than the comparator geographies, but Humshaugh had a slightly greater proportion of children than Northumberland.

Figure 5-1: Age structure in Humshaugh, 2021



Source: *ONS 2021, AECOM Calculations*

Household composition and occupancy

137. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that Humshaugh had a smaller proportion of single person households than Northumberland, although a greater proportion aged 66 and over. When looking at family households, Humshaugh had a greater proportion of family households than the comparator geographies, and as with single person households, the greatest proportion of

family households aged 66 and over. There was a greater proportion of households with no children in the NA, and a smaller proportion of households with dependent children in Humshaugh than nationally.

138. It is also helpful to consider the changes between 2011 and 2021. In this time the number of single person households aged 65/66⁹ and over grew by 78.1% in Humshaugh compared to 18.3% across Northumberland and 5.8% nationally. The number of family households with non-dependent children (e.g. adult children living in the family home) grew by 57.1% over the decade, with the comparator geographies seeing growth of less than 7%. This may be reflective of the affordability challenges in the NA, with young adults potentially not able to afford to move out of the family home and remain in Humshaugh.

Table 5-6: Household composition, Humshaugh, 2021

Household composition		Humshaugh	Northumberland	England
One person household	Total	30.8%	32.8%	30.1%
	Aged 66 and over	16.7%	15.6%	12.8%
	Other	14.1%	17.2%	17.3%
One family only	Total	67.4%	64.5%	63.1%
	All aged 66 and over	16.7%	12.7%	9.2%
	With no children	21.1%	19.0%	16.8%
	With dependent children	22.3%	22.2%	25.8%
	With non-dependent children ¹⁰	6.5%	10.1%	10.5%
Other household types	Total	1.8%	2.7%	6.9%

Source: ONS 2021, AECOM Calculations

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

139. Under-occupancy was relatively common in Humshaugh in 2021, with 83.5% of households living in a dwelling with at least one more bedroom than required based on their household size. This was most common in three household types; families aged 66+ (100.0% under-occupancy), families under 66 with no

⁹ 2011 Census counts households aged 65+ whilst the 2021 Census counts households aged 66+.

¹⁰ Refers to households containing children who are older than 18 e.g students or young working people living at home.

children (94.4% under-occupancy), and single persons under 66 (95.7% under-occupancy). While not uncommon, this might suggest that the larger housing is not necessarily occupied by households with the most family members, but by households with the most wealth, or by older households that have been unable or unwilling to downsize.

140. There is also some over-occupancy in the NA, namely in family households with children, with 4-5% of these households living in a dwelling with too few bedrooms based on their household size in 2021.

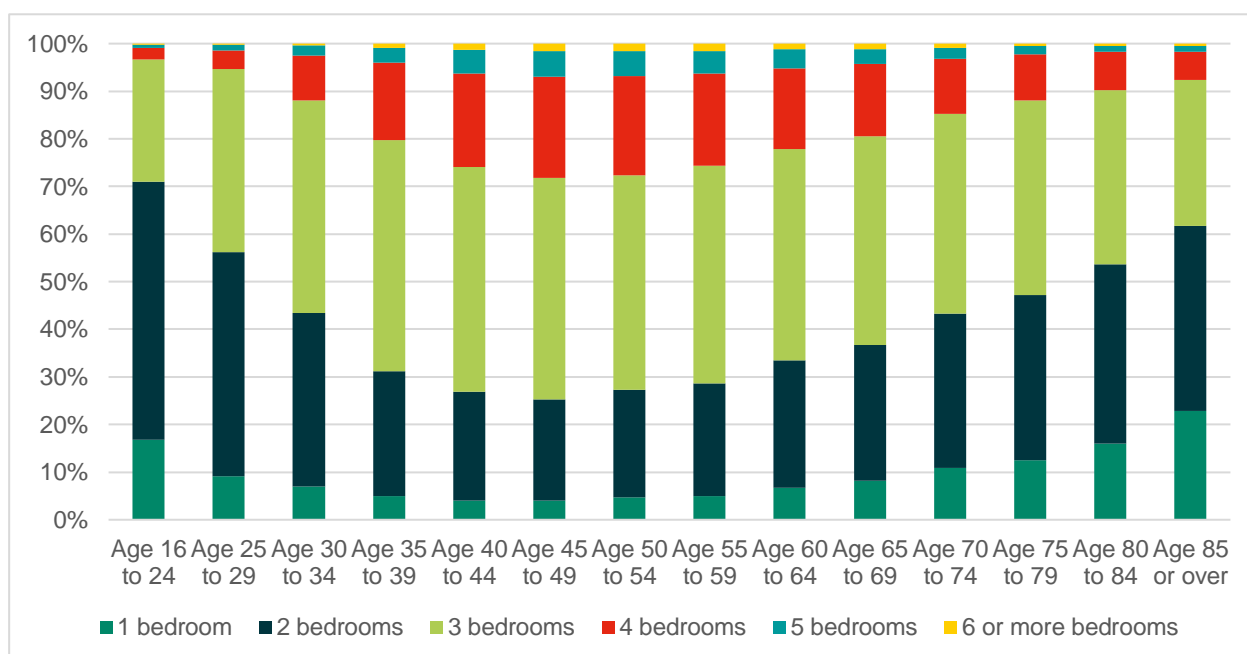
Table 5-7: Occupancy rating by age in Humshaugh, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	86.2%	13.8%	0.0%	0.0%
Single person 66+	47.4%	35.1%	17.5%	0.0%
Family under 66 - no children	84.5%	9.9%	5.6%	0.0%
Family under 66 - dependent children	29.2%	29.2%	37.5%	4.2%
Family under 66 - adult children	38.1%	28.6%	28.6%	4.8%
Single person under 66	46.8%	48.9%	4.3%	0.0%
All households	57.1%	26.4%	15.3%	1.2%

Source: ONS 2021, AECOM Calculations

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

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



Source: ONS 2011, AECOM Calculations

Future population and size needs

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

Age

143. The result of applying Local Authority level household projections to the age profile of Humshaugh households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over projected to increase by 61%. Households with a household reference person aged 65 and over would therefore account for 48.9% of households in 2036, compared to 35.6% in 2011. It is projected that there will be decreases in the number of households with a household reference person aged 54 and under in Humshaugh over the plan period.

Table 5-8: Projected age of households, Humshaugh, 2011 - 2036

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	1	15	97	59	95
2036	1	14	86	59	153
% change 2011-2036	-21%	-6%	-11%	0%	+61%

Source: AECOM Calculations

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

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

146. The result of this exercise is presented in Table 5-9. It suggests that by the end of the plan period there should be an increase in the proportion of 1-bedroom, 2-bedroom, and 3-bedroom dwellings, and a decrease in the proportion of larger dwellings. In order to reach this suggested mix it is recommended that new development focusses on smaller and mid-sized dwellings, with no delivery of larger dwellings. However, the complete restriction of the delivery of 4+ bedroom dwellings is not always necessary or appropriate, as discussed further

below.

Table 5-9: Suggested dwelling size mix to 2036, Humshaugh

Number of bedrooms	Current mix (2011)	Suggested mix (2036)	Balance of new housing to reach suggested mix
1	5.2%	9.0%	15.2%
2	24.7%	29.5%	28.3%
3	30.3%	42.7%	56.5%
4	29.6%	14.5%	0.0%
5+	10.1%	4.3%	0.0%

Source: AECOM Calculations

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

- The preceding chapter found that affordability is a serious and worsening challenge in the parish. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents’ budgets.
- Continuing to provide smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether large numbers of 1-bedroom homes are suitable given the area’s character and current density.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people’s requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if the existing stock of larger homes is sufficiently affordable. However, these larger, likely detached, homes may not be affordable for growing families in the NA. The provision of some more affordable (whether this is more affordable types of housing, such as terraced dwellings, or Affordable Housing) 4+ bedroom dwellings may not be entirely out of place.

Tenure

148. The recommendation discussed immediately above applies to all housing in the NA over the Plan period. This is considered proportionate for devising policy at

neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.

149. Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
150. There are three key sources of information for thinking through the size needs of different categories. These are:
- The 2018 Northumberland SHMA Update sets out the projected need by size within each tenure over the long-term. In this case, the SHMA indicates, using a blend of aspirations and expectations, that there should be a 41.1% increase in 1-bedroom dwellings, a 65.2% increase in 2-bedroom dwellings, a 3.7% increase in 3-bedroom dwellings, and a 10.0% decrease in 4+ bedroom dwellings. This aligns with AECOM modelling which focusses on the delivery of 1-3 bedroom dwellings. Looking more specifically geographically, the SHMA update identifies that in the A68 and A69 Tyne Corridor Outer West housing market sub-area, there is a more significant need for mid-sized and larger dwellings. However, Northumberland Council note that analysis of aspirations and expectations along with an aging population mean that needs are likely in reality more skewed towards smaller dwellings (including bungalows) to enable downsizing. AECOM analysis puts emphasis on mid-sized family homes. It should also be noted that 1-bedroom dwellings are often not as desirable on the open market as 2-bedroom dwellings and so the AECOM mix may be more suitable in reference to 1-bedroom dwellings than the SHMA.
 - The waiting list for affordable rented housing, kept by Northumberland Council, provides a current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. Currently, the Housing Register for the NA shows that 61% of applicants are in need of a 1-bedroom dwelling, 22% in need of a 2-bedroom dwelling, and 17% in need of a 3-bedroom dwelling. This aligns with the AECOM modelling in that it focusses on the need for smaller and mid-sized dwellings. However, as is common with social/affordable rented housing, the need for the smallest dwellings is greater than Table 5-9 demonstrates.
 - The community consultation undertaken by the Parish Council highlighted a clear concern over the lack of Affordable Housing in Humshaugh (50.3%

of respondents highlighted this as an issue). In addition, 64.7% of respondents would support the development of starter homes / homes for first time buyers. The delivery of more affordable (e.g. terraced), smaller (1-2 bedroom), and potentially affordable home ownership products would likely help contribute to meeting the needs identified by the community for this group.

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

Type

152. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.
153. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
154. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Humshaugh, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.
155. In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the Parish Council and community to consider.

Conclusions- Type and Size

The current housing mix

156. In 2021 the greatest proportion of households lived in detached dwellings. Between 2011 and 2021 the proportion of households living in detached and semi-detached dwellings increased whilst the proportion of households living in terraced dwellings and flats decreased. In 2021 no households in Humshaugh lived in flats, a decrease since 2011. Humshaugh had a significantly greater proportion of households living in detached dwellings than Northumberland and England. There were significantly fewer households living in terraced dwellings than the comparator geographies. VOA data indicates that 26.4% of dwellings in the proxy area for the NA were bungalows in 2021, greater than Northumberland as a whole (11.7%) and the country (9.2%).
157. Turning to dwelling size, between 2011 and 2021 the proportion of households living in different dwelling sizes was relatively stable. In 2021 the greatest proportion of households lived in 4+ bedroom dwellings (40.3%), with completions data showing that over half of development in the last decade fell into this size category. There was only a small proportion of the smallest 1-bedroom dwellings in the NA and no development of this size in the last decade.
158. A significantly higher proportion of households lived in 4+ bedroom dwellings in Humshaugh (40.3%) than Northumberland (21.8%) and England (21.1%). Due to the high proportion, a smaller proportion of households lived in all other dwelling sizes in the NA than the comparator geographies. This is most significant when looking at mid-sized 3-bedroom family homes.

Population characteristics

159. Between 2011 and 2021 the population of Humshaugh grew by 14.6%, compared to an increase of just 1.4% across Northumberland. In 2021 the greatest proportion of the population was aged 45-64. There was a significant increase in the number of people and proportion of the population aged 65-84, indicative of an aging population, alongside the increase in the population aged 85 and over. The only population decrease over the decade was in the number of people aged 15-24, which saw a 22.2% decline, perhaps suggesting that young adults have moved out of the NA, potentially due to affordability challenges in the housing market.
160. Humshaugh had a smaller proportion of single person households than Northumberland, although a greater proportion aged 66 and over in 2021. When looking at family households, Humshaugh had a greater proportion of family households than the comparator geographies, and as with single person households, the greatest proportion of family households aged 66 and over. There was a greater proportion of households with no children in the NA, and a smaller proportion of households with dependent children in Humshaugh than nationally.
161. Under-occupancy was relatively common in Humshaugh in 2021, with 83.5% of households living in a dwelling with at least one more bedroom than required

based on their household size. This was most common in families aged 66+, families under 66 with no children, and single persons under 66. While not uncommon, this might suggest that the larger housing is not necessarily occupied by households with the most family members, but by households with the most wealth, or by older households that have been unable or unwilling to downsize.

162. There is also some over-occupancy in the NA, namely in family households with children, with 4-5% of these households living in a dwelling with too few bedrooms based on their household size in 2021.

Future population and size needs

163. Population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over projected to increase by 61%. Households with a household reference person aged 65 and over would therefore account for 48.9% of households in 2036, compared to 35.6% in 2011. It is projected that there will be decreases in the number of households with a household reference person aged 54 and under in Humshaugh over the plan period.
164. AECOM modelling suggests that by the end of the plan period there should be an increase in the proportion of 1-bedroom, 2-bedroom, and 3-bedroom dwellings, and a decrease in the proportion of larger dwellings. In order to reach this suggested mix it is recommended that new development focusses on smaller and mid-sized dwellings. The complete restriction of the delivery of 4+ bedroom dwellings is not always necessary or appropriate, as discussed further in the main report.
165. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

6. Specialist housing for older people

Introduction

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

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

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

168. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.¹¹

169. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹² Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

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

¹¹ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹² For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing**¹³: self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

Specialist housing for older people

171. There are currently no units of specialist accommodation in the NA.

172. 2021 Census data shows that there are currently around 91 individuals aged 75 or over in Humshaugh.

Demographic characteristics

173. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Humshaugh is likely to

¹³ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Northumberland. The results are set out in Table 6-1. It shows that in 2021, 12.8% of Humshaugh’s population was aged 75 and over, a greater proportion than across Northumberland as a whole. Looking to 2036 it is projected that the number of individuals aged 75+ in the NA will increase from 91 to 142, with this age category accounting for 19.0% of the population by the end of the plan period.

174. A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

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

Age group	2021		2036	
	Humshaugh	Northumberland	Humshaugh	Northumberland
All ages	713	320,568	748	336,147
75+	91	35,990	142	56,286
%	12.8%	11.2%	19.0%	16.7%

Source: ONS SNPP 2020, AECOM Calculations

175. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.

176. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2036. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the vast majority of households aged 55-75 in Northumberland owned their own home in 2011, at 75.1%. The remaining 24.9% rented, with the greatest proportion of renters socially renting, at 15.8% of all households.

177. The expected growth in the 75+ population in the NA is 51 additional individuals by the end of the plan period. This can be converted into 37 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Humshaugh households are likely to need in 2036 and is shown in the bottom row of Table 6-2.

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

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
Northumberland (2011 mix)	75.1%	53.2%	21.9%	24.9%	15.8%	7.6%	1.5%
Humshaugh (2036 projection)	28	20	8	9	6	3	1

Source: Census 2011

178. It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table E-1 in Appendix E presents this data for Humshaugh from the 2011 Census.

Future needs for specialist accommodation and adaptations

179. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be 18.

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

181. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations, 2/3 of the need is identified for market specialist housing, with 1/3 affordable. The need for sheltered housing (61.1%) is greater than the need for extra-care housing (38.9%), with the greatest sub-category of need for market sheltered housing, at 38.9% of the total need. The market sheltered housing need is for individuals with less severe limitations and at least some of this could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

Table 6-3: AECOM estimate of specialist housing for older people need in Humshaugh by the end of the Plan period

Type	Affordable	Market	Total
Housing with care	2 (11.1%)	5 (27.8%)	7 (38.9%)
Adaptations, sheltered, or retirement living	4 (22.2%)	7 (38.9%)	11 (61.1%)
Total	6 (33.3%)	12 (66.7%)	18

Source: Census 2011, AECOM Calculations

182. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and most widely used models for estimating the housing needs of older people. Table E-2 in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Humshaugh results in a total of 13 specialist dwellings that might be required to the end of the Plan period. This is set out in Table 6-4.

Table 6-4: HLIN estimate of specialist housing for older people need in Humshaugh by the end of the Plan period

Type	Affordable	Market	Total
Housing with care	2 (15.4%)	2 (15.4%)	4 (30.8%)
Adaptations, sheltered, or retirement living	3 (23.1%)	6 (46.2%)	9 (69.2%)
Total	5 (38.5%)	8 (61.5%)	13

Source: Housing LIN, AECOM calculations

Further considerations

183. The above estimates suggest that potential need for specialist accommodation could be in the range of 13-18 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

184. Community consultation found that 29.7% of respondents felt that a lack of specialist housing for older people was a concern for the future of the NA. In addition, 69.8% of respondents highlighted that they would be in favour of housing development for older people. It should be noted that, as is often the case with community consultation, the response was somewhat skewed towards the older population (and therefore likely skewed towards their needs),

with 58.6% of respondents aged 65+ (62.8% retired) compared to 30.4% of the 2021 population of Humshaugh falling into this age category.

185. Specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
186. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
187. It is considered that Humshaugh's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Humshaugh entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Humshaugh, Hexham is considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model).
188. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

Care homes

189. Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
190. However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
191. Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and

depend on both local and national policies, delivery, and the appetite of private developers.

192. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. Based on this rate, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2036 there would be a need for 3.3 care homes beds in the NA, an increase of 3.3 from present levels.
193. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

The Role of Mainstream Housing

194. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 100% of the Humshaugh population aged 75 and over is likely to live in the mainstream housing stock¹⁴.
195. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
196. However, given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Northumberland Council.
197. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings¹⁵, although changes to Building Regulations have not yet been made.
198. The current adopted Local Plan policy HOU11 provides explicit encouragement for development to accommodate specific groups such as older people. It also outlines targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)). It states

¹⁴ 91 over 75s in 2021, of which 0 are accommodated in specialist housing and a further 0 in care homes, leaving 91 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

¹⁵ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes) (www.gov.uk)

that 20% of new market housing and 50% of new Affordable Housing will be required to meet or exceed M4(2). It does not set requirements for housing suitable for wheelchair users (Category M4(3)).

- 199. The evidence gathered here may justify the Parish Council approaching the LPA to discuss setting further requirements on accessibility and adaptability at local authority level. Northumberland Council note that as the Local Plan has only recently been adopted there is little likelihood of the policy situation changing within the next 5 years at least (although if the Government’s proposed mandating of M4(2) discussed above takes place then this would supersede the Policy HOU11 requirement).
- 200. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available. Northumberland Council did not set M4(3) requirements in the Local Plan due to identifying low proportions of need and viability considerations.
- 201. Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Humshaugh to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for up to 1 wheelchair accessible dwelling over the Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally Applied to Humshaugh

	Percentage in England	% applied to NA commitments (11)
Households using wheelchair all the time	0.6%	0.1
Households using wheelchair either indoors or outdoors	3.0%	0.3

Source: Survey of English Housing 2018/19

Conclusions- Specialist Housing for Older People

- 202. At the time of writing this report there were no units of specialist accommodation for older people in Humshaugh.
- 203. Census data suggests that at this time there were 91 individuals aged 75+ in the NA. It is projected that by the end of the plan period this will increase to 142, with the 75+ population accounting for 19.0% of the population by 2036.

Specialist housing for older people

- 204. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population

projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.

205. These two methods of estimating the future need in Humshaugh produce a range of 13 to 18 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
206. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations, 2/3 of the need is identified for market specialist housing, with 1/3 affordable. The need for sheltered housing (61.1%) is greater than the need for extra-care housing (38.9%), with the greatest sub-category of need for market sheltered housing, at 38.9% of the total need. The market sheltered housing need is for individuals with less severe limitations and at least some of this could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
207. It is important for specialist housing for older people to be provided in sustainable, accessible locations, with cost-effectiveness and economies of scale also important factors to consider. It is considered that Humshaugh may be a less suitable location for specialist accommodation for older people. Nearby settlements, such as Hexham, may be more appropriate for the delivery of specialist housing for older people.

Care homes

208. Care home accommodation is defined as institutional accommodation rather than housing. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on this rate and the expected increase of 91 individuals aged 75+ between 2021 and 2036, it is estimated that in 2036 there would be a need for 3.3 additional care home beds in the NA compared to 2021. Some of the need for care home beds might be met by independent housing accommodation and vice versa.

Adaptable and accessible housing

209. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
210. The Local Plan outlines targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)). It states that 20% of new market housing and 50% of new Affordable

Housing will be required to meet or exceed M4(2). It does not set requirements for housing suitable for wheelchair users (Category M4(3)). The evidence presented in the HNA may justify the Parish Council approaching the LPA to discuss setting further requirements on accessibility and adaptability. However, Northumberland Council note that as the Local Plan has only recently been adopted there is little likelihood of the policy situation changing within the next 5 years at least (although if the Government's proposed mandating of M4(2) discussed above takes place then this would supersede the Policy HOU11 requirement).

7. Next Steps

Recommendations for next steps

211. This Neighbourhood Plan housing needs assessment aims to provide the Parish Council with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Northumberland Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
 - The views of Northumberland Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Northumberland Council.
212. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
213. Bearing this in mind, it is recommended that the Parish Council should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Northumberland Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
214. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Assessment geography

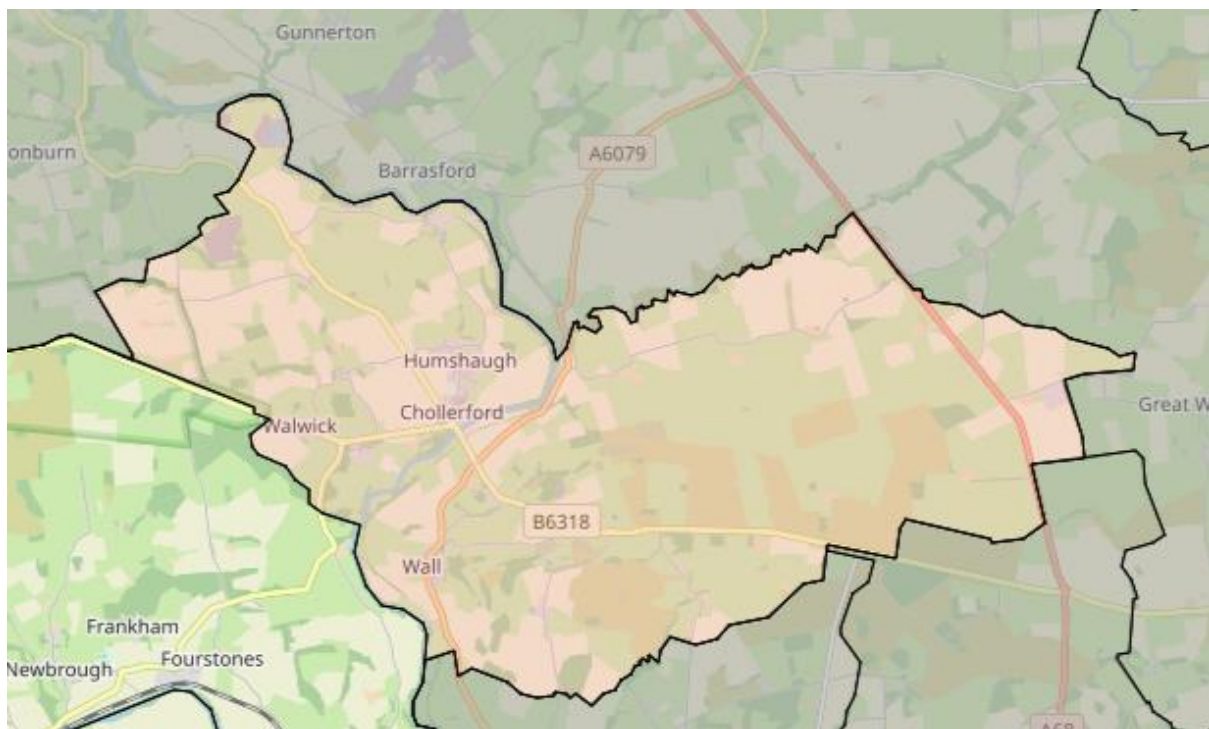
215. For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs).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

- OA E00139939; and
- OA E00139940.

216. Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. The most relevant LSOA in this case, which will need to be used as a proxy for the NA, is:

- LSOA E01027495, which also includes the settlement of Wall.

Figure A-1: Map of LSOA

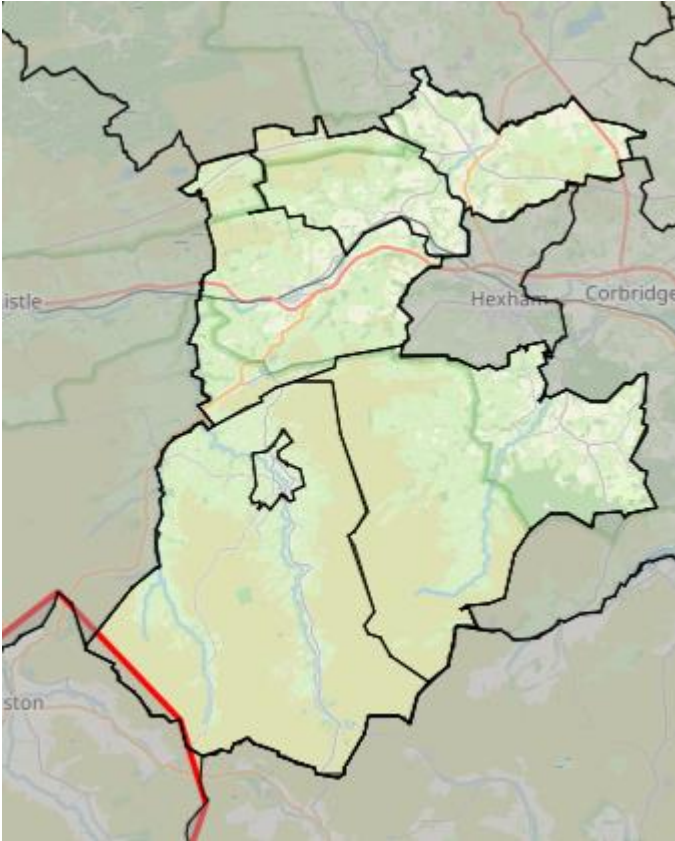


Source: Nomis

217. Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the NA is located and which will need to serve as a proxy for it, is:

- MSOA E02005733.

Figure A-2: Map of MSOA



Source: NOMIS

Appendix B : Local Plan context

Policies in the adopted local plan

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

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

Policy	Provisions
STP1 – Spatial Strategy (Strategic Policy)	<p>The Main Towns of Alnwick, Amble, Ashington, Bedlington/Bedlington Station, Berwick-upon-Tweed, Blyth, Cramlington, Haltwhistle, Hexham, Morpeth, Ponteland, and Prudhoe will be the main focus for employment, housing, retail, and services.</p> <p>The Service Centres will accommodate employment, housing, and services that maintains and strengthens their roles.</p> <p>The Service Villages (including Chollerford/Humshaugh) will provide for a proportionate level of housing and be the focus for investment in rural areas, to support the provision and retention of local retail, services, and facilities.</p> <p>Small Villages will support a proportionate level of development subject to Green Belt policy considerations where relevant.</p>
HOU2: Provision of New Residential Development (Strategic Policy)	<p>The delivery of new open market and affordable dwellings in a range of tenures, types, and sizes will be supported where it is consistent with:</p> <ol style="list-style-type: none"> a. The spatial strategy for Northumberland; b. Meeting the objectively assessed housing needs and housing priorities as identified through an up-to-date assessment; and c. Making the best and most efficient use of land and buildings, encouraging higher densities in the most accessible locations and the redevelopment of suitable previously developed ‘brownfield’ sites wherever possible and viable to do so. <p>The housing requirement for Northumberland over the plan period 2016-2036 is for at least 17,700 Use Class C3 net additional dwellings, an annual average of 885 dwellings per annum.</p>

Policy	Provisions
<p>HOU3: Housing Requirements for Neighbourhood Areas (Strategic Policy)</p>	<p>Designated neighbourhood areas should provide for the following minimum housing requirements to help meet Northumberland’s overall housing requirements.</p> <p>Humshaugh does not have a minimum housing requirement for 2016 to 2036 outlined in this policy as the Neighbourhood Area was not designated in March 2022. It is identified as being in the ‘West Delivery Area’.</p>
<p>HOU5: Housing Types and Mix</p>	<p>A range of good quality, energy-efficient homes, including affordable homes, will be provided to deliver a more balanced mix of tenures and housing types and sizes, alongside supported specialist housing for older and vulnerable people.</p> <p>Community-led housing, including individual and group self-build and custom-housebuilding, will be supported and facilitated, particularly where they will contribute to meeting local housing needs.</p> <p>In addition to stand-alone serviced and unserviced plots, commercial housebuilders will be encouraged to set-aside dedicated serviced plots for self-build and custom-build homes where appropriate within ‘major’ housing development sites.</p>
<p>HOU6: Affordable Housing Provision (Strategic Policy)</p>	<p>To deliver affordable homes for sale or rent to meet the identified needs of those not otherwise met by the market, ‘major’ development proposals of 10 or more units (or 5 or more units in the AONB) will be expected to deliver on site affordable housing.</p> <p>Within the highest value areas (including Humshaugh), 30% affordable housing will be required.</p> <p>The affordable provision will be expected to reflect the indicative tenure split whilst ensuring that at least 10% of the total number of homes on the site are for affordable home ownership products.</p> <p>Within the highest value areas, 67% of homes should be for rent and 33% for affordable home ownership.</p>
<p>HOU7: Exception Sites</p>	<p>The development of entry-level exception sites for first-time buyers or renters will be supported on sites not allocated for housing adjacent to an existing settlement in line with the full policy. – <i>note that entry-level exception sites have since been replaced by First Homes exception sites.</i></p>

Policy	Provisions
HOU11: Homes for Older and Vulnerable People (Strategic Policy)	<p>The development of small rural exception sites that would not normally be used for housing within, adjacent, or well-related to an existing settlement will be supported in line with the full policy.</p> <hr/> <p>Housing and other residential accommodation which meets the changing needs of older people and vulnerable needs groups and which supports residents’ desires to live securely and independently in their own homes and communities over their lifetimes will be delivered wherever possible, by:</p> <ul style="list-style-type: none"> a. Supporting the adaptation of existing homes and the provision of new adaptable homes, including bungalows, level-access flats, and sheltered ‘extra-care’ accommodation, located in accessible and sustainable central locations well-served by local health, leisure, education, and transport facilities; b. Supporting and facilitating the provision of integrated sheltered residential retirement and ‘extra-care’ accommodation with support for older people and vulnerable adults; c. Supporting and enabling the provision of Use Class C2 residential care and nursing home accommodation options for those older and vulnerable people with physical disabilities and other needs which are unable to live independently; d. Facilitating the creation of ‘lifetime neighbourhoods’ and ‘retirement villages’ that are well-designed to be accessible for everyone, located centrally within larger settlements close to local services and community facilities. <p>To ensure that new homes are accessible and adaptable to meet the needs of residents now and in the future, 20% of new open market dwellings and 50% of affordable dwellings will be required to meet or exceed the enhanced accessibility and adaptability housing standards in compliance with Requirement M4(2) of the Building Regulations (or any equivalent successor standards).</p>

Source: Northumberland Council

Table B-2: Summary of relevant adopted policies in the Northumberland National Park Local Plan

Policy	Provisions
ST4: Spatial Strategy	<p>Humshaugh is not identified as a Named Settlement in the Spatial Strategy.</p> <p>Development will only be permitted in the Open Countryside in specific circumstances, outlined in the full policy.</p>
ST5: New Housing	<p>Having regard to the existing housing stock in the locality, all new residential development (of more than 5 dwellings) will contribute towards the creation of sustainable, balanced, and inclusive communities by ensuring a mix of dwellings that will meet the needs of present and future generations.</p> <p>Development proposals will be assessed according to how well they meet the needs of those living in and seeking to move to Northumberland National Park, as identified in the most recent SHMA and other relevant guidance.</p> <p>Self-build and custom housebuilding may be approved in accordance with other relevant housing policies as either affordable housing or principal residency.</p>
DM3 – Affordable Housing	<p>In order to meet specifically identified local affordable housing needs, the development of 100% affordable dwellings will be permitted as an exception to policy on appropriate sites adjoining a Named Settlement (not including Humshaugh).</p> <p>Further detail is outlined in the full policy.</p>

Source: Northumberland Council

Appendix C : Affordability calculations

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

C.1 Market housing

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

i) Market sales

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

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

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

- Value of a median NA house price (2022) = £351,000;
- Purchase deposit at 10% of value = £35,100;
- Value of dwelling for mortgage purposes = £315,900;
- Divided by loan to income ratio of 3.5 = purchase threshold of £90,257.

224. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2022 was £243,750, and the purchase threshold is therefore £62,679.

225. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry recorded no sales of new build properties in the NA in

2022. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

226. Therefore an estimate has been calculated by determining the uplift between terraced house prices (which can be used as a proxy for entry-level) in 2022 across Northumberland and new build terraced house prices in 2022 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2022 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £321,661 and purchase threshold of £82,713.
227. In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Northumberland in 2022. The median cost of new build dwellings in Northumberland was £304,495, with a purchase threshold of £78,299. This median new build price across Northumberland in 2022 is below the lower quartile new build price in Humshaugh in the same year, indicating that house prices in the NA are significantly higher than the wider local authority.

ii) Private Rented Sector (PRS)

228. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
229. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
230. The property website Rightmove.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within a 5 mile radius of Humshaugh, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

231. According to Rightmove.co.uk, there were 23 properties for rent at the time of search in March 2023, with an average monthly rent of £989. There were 10 2-bedroom properties listed, with an average price of £859 per calendar month.
232. The calculation for the private rent income threshold for entry-level (2-bedroom) dwellings is as follows:
- Annual rent = £859 x 12 = £10,308;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £34,360.
233. The calculation is repeated for the overall average to give an income threshold of £39,560.

C.2 Affordable Housing

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

i) Social rent

235. Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.
236. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Humshaugh. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Northumberland in Table C-1.
237. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

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

Source: Homes England, AECOM Calculations

ii) Affordable rent

- 238. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
- 239. Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
- 240. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Northumberland. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- 241. Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 50% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

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

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

- 242. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.
- 243. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership

requirement referenced above may be replaced by the First Homes requirement.

First Homes

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

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

245. The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £321,661.

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

- Value of a new home (estimated NA new build entry-level) = £321,661;
- Discounted by 30% = £225,163;
- Purchase deposit at 10% of value = £22,516;
- Value of dwelling for mortgage purposes = £202,647;
- Divided by loan to income ratio of 3.5 = purchase threshold of £57,899.

- 247. The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £49,628 and £41,356 respectively.
- 248. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. All of the discounted prices are also below the £250,000 cap.
- 249. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m¹⁶) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Humshaugh.
- 250. Table C-3 shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	55%	83%	67%
NA estimated new build entry-level house price	51%	82%	64%
NA entry-level house price	35%	76%	52%
LA median new build house price	48%	81%	62%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

- 251. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
- 252. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own.

¹⁶ It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.

253. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
254. The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £321,661 is £80,415;
 - A 10% deposit of £8,042 is deducted, leaving a mortgage value of £72,374;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £20,678;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £241,246;
 - The estimated annual rent at 2.5% of the unsold value is £6,031;
 - This requires an income of £20,104 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £40,782 (£20,678 plus £20,104).
255. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £32,396 and £54,759 respectively.
256. All of the income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

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

Help to Buy (Equity Loan)

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

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

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

260. In Table D-1 AECOM has calculated, using PPG as a starting point,¹⁷ an estimate of the total need for affordable rented housing in Humshaugh over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence available. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
261. It should also be noted that figures in Table D-1 are largely dependent on information provided by Northumberland Council in its capacity as manager of the local housing waiting list.

¹⁷ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

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

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	41.0	Latest waiting list data available from Northumberland Council for the NA
1.2 Per annum	3.2	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	19.9	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	44.1%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA.
2.2.1 Current number of social renters in NA	58.0	2021 Census social rented occupancy
2.2.2 Number of private renters on housing benefits	27.1	Housing Benefit / Universal Credit with housing entitlement caseload March 2021. Pro rata for NA.
2.3 New households unable to rent	8.8	Step 2.1 x Step 2.2.
2.4 Per annum	0.7	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	1.7	Step 3.1 x NA social rented stock (2.2.1).
NET SHORTFALL OF RENTED UNITS PER ANNUM		
Overall shortfall per annum	2.1	Step 1.2 + Step 2.4 - Step 3.2
Overall shortfall over plan period	27.2	Above * plan period

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

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

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

(typically 80% or more) aspire to home ownership.¹⁸ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

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

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	70.0	Census 2021 private rented occupancy.
1.2 Percentage renters on housing benefit in LA	38.7%	% of renters in March 2021 on Housing Benefit / Universal Credit with housing entitlement ¹⁹ .
1.3 Number of renters on housing benefits in parish	27.1	Step 1.1 x Step 1.2.
1.4 Current need (households)	32.2	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ²⁰
1.5 Per annum	2.5	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	19.9	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	12.0%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	2.4	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	0.2	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	2.0	Number of shared ownership homes in parish (Census 2021).
3.2 Supply - intermediate resales	0.1	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	2.6	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall over the plan period	33.3	Above * plan period

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

¹⁸ <http://www.ipsos-mori-generations.com/housing.html>

¹⁹ Housing Benefit is in the process of being moved across to Universal Credit (with housing entitlement). DWP are aware that there may be some double counting of households (although this is believed to be minimal) and AECOM consider that it is more accurate to use the sum of both than solely the Housing Benefit figure

²⁰ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

- 264. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
- 265. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable housing policy

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

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

Consideration	Local Evidence
<p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>This HNA suggests that the NA requires around 27.2 units of affordable rented housing and 33.3 units of affordable home ownership homes over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p> <p>The relationship between these figures suggests that there is a slightly greater need for affordable home ownership dwellings, although affordable rented housing should be prioritised due to this need being more acute and the expectation of little Affordable Housing delivery over the plan period.</p>
<p>B. Can Affordable Housing needs be met in full?</p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p>	<p>If the Local Plan target of 30% was achieved on every site, assuming the delivery of the NA’s 11 commitments on one site (as the threshold for Affordable Housing policy to apply is 10 dwellings (5 in the AONB)), up to 3 affordable homes might be expected in the NA over Plan period. However, these commitments are expected to be delivered on smaller sites (between 1 and 4 dwellings)</p>

	<p>and so there is no expected delivery of Affordable Housing from these.</p> <p>This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. Therefore, the more urgent and acute need for rented housing should be prioritised.</p>
<p>C. Government policy (eg NPPF) requirements:</p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	<p>For 10% of all housing to be affordable ownership in Humshaugh, where 30% of all housing should be affordable, 33% of Affordable Housing should be for affordable ownership. This complies with the guideline tenure split sought in the Local Plan.</p>
<p>D. Local Plan policy:</p>	<p>The adopted Local Plan seeks a tenure split of 67% affordable rent and 33% affordable home ownership.</p>
<p>E. First Homes policy:</p> <p>The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering ‘top slicing’ their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the</p>	<p>This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This does not appear to be an issue in Humshaugh.</p>

<p>existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p>	
<p>F. Viability:</p>	<p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.</p>
<p>G. Funding:</p> <p>The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p>	<p>The Parish Council may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p>H. Existing tenure mix in Humshaugh:</p> <p>The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>2021 Census data shows that there was a slightly smaller proportion of households living in Affordable Housing in Humshaugh (17.7%) than Northumberland (18.3%) and England (18.1%).</p> <p>The proportion of households living in social rented housing was the same in both Humshaugh and nationally, although slightly below the level across the local authority area. The proportion of households living in shared ownership dwellings in the NA was below national levels.</p>
<p>I. Views of registered providers:</p>	<p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.</p>

J. Wider policy objectives:	The Parish Council may wish to take account of broader policy objectives for Humshaugh and/or the wider local authority area. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.
------------------------------------	--

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Tenure and mobility limitations of those aged 65+ in Humshaugh, 2011 (65+ is the closest proxy for 75+ in this data)

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	27	18.4%	46	31.3%	74	50.3%
Owned Total	18	16.5%	28	25.7%	63	57.8%
Owned outright	16	15.8%	28	27.7%	57	56.4%
Owned (mortgage) or shared ownership	2	25.0%	0	0.0%	6	75.0%
Rented Total	9	23.7%	18	47.4%	11	28.9%
Social rented	4	26.7%	8	53.3%	3	20.0%
Private rented or living rent free	5	21.7%	10	43.5%	8	34.8%

Source: DC3408EW Health status

HLIN calculations

Table E-2: Recommended provision of specialist housing for older people from the HLIN SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

267. As Table 6-1 in the main report shows, Humshaugh is forecast to see an increase of 51 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.051 = 3$
- Leasehold sheltered housing = $120 \times 0.051 = 6$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.051 = 1$
- Extra care housing for rent = $15 \times 0.051 = 0.8$
- Extra care housing for sale = $30 \times 0.051 = 1.5$
- Housing based provision for dementia = $6 \times 0.051 = 0.3$

Appendix F : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

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

Affordable Rented Housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution of Chartered Surveyors (RICS) approved valuation methods²¹.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard²²

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

²¹ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²² See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order²³

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

Concealed Families (Census definition)²⁴

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

Equity Loans/Shared Equity

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

²³ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²⁴ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

This means the period between the last two Censuses, i.e. between years 2011 and 2021.

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁵, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

²⁵ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing²⁶

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

²⁶ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.²⁷

²⁷ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

