

Wooler Neighbourhood Plan

Housing Needs Assessment (HNA)

May 2025

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Quality information

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List of acronyms used in the text:

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
MHCLG	Ministry of Housing, Communities, and Local Government
MSOA	Middle Layer Super Output Area
NA	Neighbourhood (Plan) Area
NNPA	Northumberland National Park Authority
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
WPC	Wooler Parish Council

1. Executive Summary

- 1.1.1. Wooler is a Neighbourhood Area (NA) located in the Unitary Authority (UA) of Northumberland and partly within and the Northumberland National Park Authority (NNPA). The NA boundary covers the areas administered by Wooler town council. The closest matching Census Lower Super Output Area (LSOA), shown in Figure 2-1, will be used as a proxy throughout the report. This provides a strong approximation of the NA, capturing the vast majority of the area, with only a small portion of land southeast of the NA around Weetwood Moor and some properties near Haugh Head not included.
- 1.1.2. The 2021 Census recorded 1,930 individuals in the LSOA proxy area for Wooler, indicating a decrease of 53 people since the 2011 Census. This was checked against the Parsh for 2021, which indicated a total of 2,010 residents – only marginally higher than the NA proxy.
- 1.1.3. There has been some development in Wooler in recent years. Northumberland County Council has provided data showing that 119 new homes have been built since 2011. Of these, over 40% were delivered as Affordable Housing. As of April 2025, outstanding commitments (dwellings on sites with planning permission) total 48 homes.
- 1.1.4. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Wooler Neighbourhood Working Group at the outset of the research.
- 1.1.5. Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some 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 projections where necessary to build up evidence at the neighbourhood level.
- 1.1.6. This HNA has been undertaken in line with the National Planning Policy Framework (NPPF)¹ and practice guidance (both published in December 2024).²

1.2. Affordability and Affordable Housing

Current tenure profile

- 1.2.1. Beginning with the tenure mix, this chapter finds that home ownership is the most common tenure type in Wooler, making up 62% of the total mix. This is similar to the national average in England but slightly lower than Northumberland.

¹ National Planning Policy Framework published in December 2024

² Housing and economic needs assessment - GOV.UK published in December 2024

- 1.2.2. The NA has a notably high stock of socially rented homes, but has a corresponding lack of shared ownership products. Affordable housing schemes, including Horsdonside (2016–17), have contributed to a steady growth in social rented housing. It is noteworthy that private rent was the only form of tenure that appears to have fallen since 2011.

Affordability

- 1.2.3. There is a significant gap between the income of average income households in the NA (£36,500) and the lowest 25% across Northumberland (£19,125), particularly for single-earner households. 55% of the Wooler Housing Needs Survey respondents earned less than £20,000 annually. The average house price in the NA is £241,398, which has increased by 58% since 2015, making it unaffordable for most average income households. The NA is notably a high-value area within Northumberland.
- 1.2.4. Overall, affordability remains a critical issue in the NA. Table 4-4 highlights that the median house price would require an annual income almost 60% higher than the current average and that private renting is generally not affordable to any of the above income benchmarks.

The need for Affordable Housing

- 1.2.5. This chapter found that Affordable Housing performs a vital role in the NA:
- **First Homes** with higher discounts (40-50%) open up affordability to average and LQ2 earners, making homeownership more accessible to these groups.
 - **Shared ownership**, even at a 50% equity share, is similarly affordable to LQ2 and average income households, providing an easier entry point to homeownership.
 - **Rent to Buy** offers a more accessible route to ownership for households needing a deposit, and its affordability depends on the rent discount, which can make it attractive to those who may not qualify for other products.
 - **Social and Affordable Rented Housing** plays a vital role in providing affordable housing LQ1 households, offering options for those unable to access market housing without subsidies.
- 1.2.6. AECOM estimates the need for **1.2 Social/Affordable rented homes per annum** and **4.7 Affordable Home Ownership in Wooler**. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5.

Affordable Housing policy

- 1.2.7. Table 4-8 summarises Wooler's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Neighbourhood Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation, and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced.

In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

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

Step in Estimation		Expected delivery
A	Residual housing requirement figure	170
B	Affordable housing quota (%) in LPA's Local Plan	15
C	Potential total Affordable Housing in NA (A x B)	26
D	Rented % (e.g. social/ affordable rented)	33%
E	Rented number (C x D)	9
F	Affordable home ownership % (e.g. Shared Ownership, Discounted Market Sale, First Homes, Rent to Buy)	67%
G	Affordable home ownership number (C x F)	17

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

- 1.2.8. This expected level of delivery is below both AECOM's estimated quantity of demand identified in this chapter and the pro-rated SHMA estimates. 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.

1.3. Housing Mix: Type and Size

- 1.3.1. This chapter provides an indication of the likely need for different types and sizes of homes based on demographic change.

The current housing mix

- 1.3.2. This chapter finds that the Wooler NA is dominated by semi-detached homes (40%) and lacks variety in dwelling types, particularly flats, which make up only 10% of the mix—lower than NCC (11%) and National averages (22%). Bungalows, not captured by the Census but recorded by the VOA, represent 20% of homes—significantly

higher than wider benchmarks—supporting an imperative to retain them to meet the needs of Wooler’s aging population.

- 1.3.3. Between 2011 and 2021, the housing mix in the NA remained heavily skewed towards semi-detached homes, with a notable decline in flats (down 21.9%). The increase in larger detached homes and limited growth in smaller dwellings may be exacerbating affordability pressures. However, please note that completions data provided by NCC was slightly different to and should be relied upon to a greater degree than Census housing mix data.

Population characteristics

- 1.3.4. As with most areas in the UK, Wooler’s population appears to be ageing, and will likely continue to do so over the Neighbourhood Plan period. This chapter finds that Wooler NA has experienced a notable demographic shift towards an older population. Between 2011 and 2021, the 65–84 age group grew by 36.3%, now representing over a third (34.7%) of the total population. In contrast, all younger age groups declined—most significantly the 15–24 age group (down 35.5%)—contributing to a 2.7% overall population decline.
- 1.3.5. The NA has an older age profile than both NCC and national averages, especially in the 65–84 category (35% compared to just 16% in England). Household data also reflects this, with higher rates of older single-person and couple households than surrounding areas—highlighting the importance of planning for age-appropriate housing and support services over the Plan period.

Future population and size needs

- 1.3.6. This chapter makes clear that population growth can be expected to be driven by the oldest households, with the ‘65 and over’ household age bracket expected to grow by 70% by 2040. It may be appropriate for new dwellings in the Parish to contribute toward the creation of more variety in Wooler’s dwelling stock, by offering a range of dwelling types and sizes.
- 1.3.7. In summary, it is expected that if current trends persist, and the goal is to accommodate these demographic shifts, then future housing delivery in Wooler should prioritise the provision of dwellings that would be appropriate to accommodate the area’s growing elderly population, a goal which reflects some of the ambitions of the 2018 Wooler Housing Needs Survey.
- 1.3.8. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the 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.

1.4. Specialist Housing for Older People

Current stock and demographics

- 1.4.1. This chapter considers that future provision of specialist housing for older people may be needed to serve arising future demand, with population growth in Wooler expected to be driven by the older population age bands (a theme that was also identified in the 'Type and Size' chapter). Specifically, the number of 75+ individuals in the Parish is expected to increase substantially by 2040. Without additional units of specialist housing in Wooler, it is likely that those in need will be forced to move out of the area.
- 1.4.2. There is a total of 11 units of specialist accommodation in the NA at present, however, VOA data illustrates that 20% of the NA's housing is in the form of bungalows, which offer level-access accommodation that may meet the requirements of people with mobility limitations.

Need for Specialist Housing for Older People

- 1.4.3. 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.
- 1.4.4. These two methods of estimating the future need in Wooler produce a range of 67 to 99 specialist accommodation units that might be required during the Neighbourhood 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.
- 1.4.5. The reasons why households indicated that their current home is unsuitable for their needs were varied in the 2018 Wooler Survey. The main reasons for housing need were that existing accommodation is too large (18 respondents) but 11 respondents noted that their existing property requires adaptation to meet disability/health needs.
- 1.4.6. The current adopted Local Plan policy HOU 11 provides explicit encouragement for development to accommodate specific groups such as older people. It stipulates that, 20% of new market homes should meet enhanced accessibility standards (M4(2) of the Building Regulations).

Need for Additional Care Home Units

- 1.4.7. The HNA calculations suggest that 29 additional care home units in Wooler will be required to satisfy arising need over the Neighbourhood Plan period, but again are not obligatory to deliver within the parish itself. This is supported by the (pro-rated) 2018 SHMA findings which suggests the need for 15 additional care home units across the plan period.

Alternative Solutions

- 1.4.8. In addition to seeking specialist supply through Wooler's Neighbourhood Plan housing delivery targets, another avenue open to the Wooler Neighbourhood Working Group is to discuss the standards of accessibility and adaptability in new development to be met in the Neighbourhood Plan with the Local Planning Authority.
- 1.4.9. Although there are 21 units of specialist accommodation in the NA at present, there are several facilities such as extra-care housing and age exclusive housing located in nearby towns such as Berwick-upon-Tweed, (northeast of the NA). The majority of these units are offered as one- or two-bedroom bungalows/flats on social rent tenures, with these being easily accessible via the A1, should the Working Group have a preference to rely on specialist housing provision for its aging population beyond the parish itself. Details of these facilities are provided in Appendix E.

2. Context

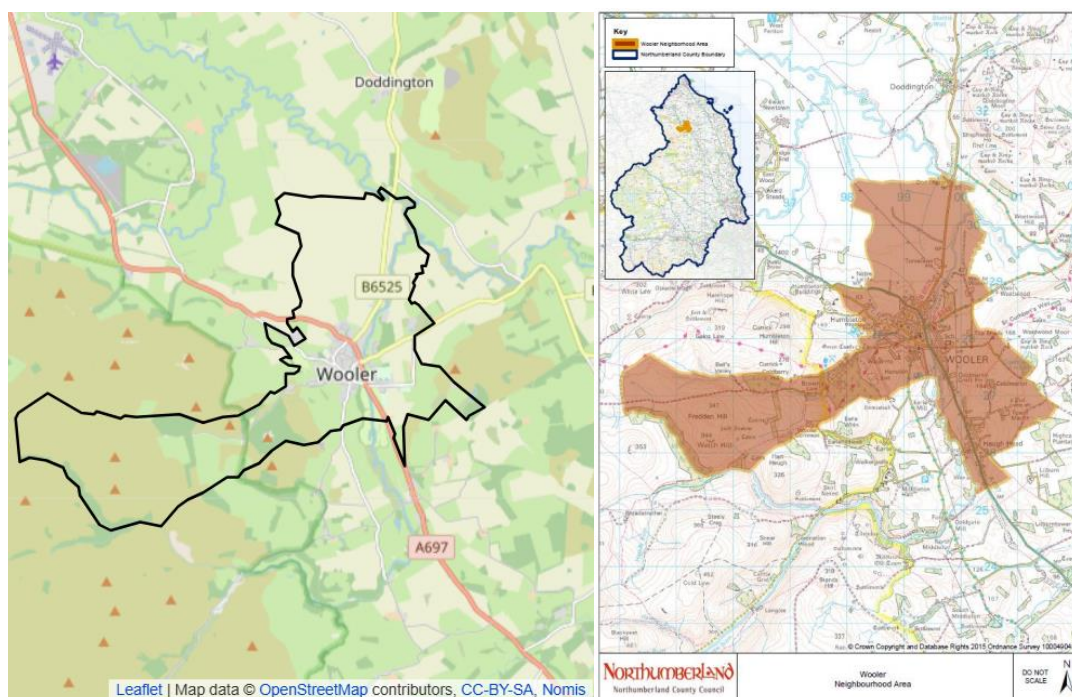
2.1. Local context

- 2.1.1. Wooler is a Neighbourhood Area (NA) located in the unitary authority of Northumberland and county of Northumberland. For the purposes of neighbourhood planning, NCC is the lead authority, i.e. we arrange for the Plan to be examined and taken to referendum. However, the NNPA policy has also been considered throughout this HNA. The 'gateway' settlements to the Northumberland National Park Authority (NNPA), such as Wooler, lie outside the National Park boundary. As a result, only a small portion of their overall parish populations actually live within the National Park itself. The NA boundary was designated in January 2016.
- 2.1.2. While this HNA does reference headline number of households and population for the exact NA, it is not possible to precisely align the NA boundary with all 2021 Census data. The closest matching LSOA, shown in Figure 2-1 below, will be used as a proxy throughout the report. This provides a strong approximation of the NA, capturing the vast majority of the area, with only a small portion of land southeast of the NA around Weetwood Moor and some properties near Haugh Head not included.
- 2.1.3. The Neighbourhood Plan is envisaged to start in 2025 and extend to 2040, therefore covering a period of 15 years. The evidence supplied in this report will look ahead to the Plan end date of 2040, but where possible will also provide annualised figures which can be extrapolated to a different term if the Neighbourhood Plan period changes.
- 2.1.4. Wooler is a rural market town in Northumberland, situated on the edge of the Northumberland National Park. The town has a compact settlement pattern, with development concentrated around its historic core and extending outward along key transport routes. The A697 provides a direct connection to Morpeth to the south and the Scottish Borders to the north, facilitating access to larger towns and cities. Smaller local roads link Wooler to the surrounding rural areas, supporting agricultural activities and serving as an important service center for villages and hamlets, including West and East Kirknewton, Branton, and Ford and Etal.
- 2.1.5. The town also serves as a gateway to the Cheviot Hills, making it a popular destination for tourists. It's high street features independent shops, cafés, pubs, and essential services such as a post office, pharmacy, and a Co-op supermarket. Healthcare is provided by the Cheviot Primary Care Centre, and education is available at Wooler First School and Glendale Community Middle School.

2.2. The NA boundary and key statistics

- 2.2.1. 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 Wooler is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Wooler LSOA and proxy NA (left) vs Parish (right)



Source: NCC³

- 2.2.2. At the time of the 2021 Census the proxy area for the NA (hereafter referred to as ‘the NA’ or Wooler unless otherwise stated) was home to 1,930 residents, formed into 1,020 households and occupying 1,133 dwellings. This data indicates a population decrease of around 53 people since 2011, when the Census recorded a total of 1,983 residents, 974 and 1,094 dwellings. This was checked against the whole Parsh for 2021, which indicated a total of 2,010 residents formed into 1,063 households – marginally higher than the NA proxy.
- 2.2.3. The change in the number of dwellings from 2011 to 2021 in the Census is not purely new development – it also reflects changes to the existing stock, such as extensions. It can be useful to examine the recent completions recorded by the Local Planning Authority (LPA) and information form the Valuation Office Agency (VOA). The town has seen steady but small-scale growth, with larger clusters in Fenton Grange, Kings Mead, and Horsdonside.
- 2.2.4. NCC recorded 119 Housing Completions in Wooler between 2011-2024 and there are outstanding commitments for another 48 dwellings. The majority of completed homes were 2- and 3-bed properties, and affordable housing made up over 40% of total completions, indicating a significant effort to provide housing for lower-income residents. Redevelopments and conversions (e.g., hotels, libraries, and commercial buildings) played an essential role in delivering housing, especially affordable units. There was also an application for the demolition of decommissioned sheltered scheme and erection of 6 no 2 bed/ 4 person bungalows and 8 no 2 bed/ 4 person houses at Horsdonside. As at 31 March 2024, there were

• ³ Available at [Wooler-Neighbourhood-Area-Designation-Delegated-Report-v1.pdf](#)

- 2.2.5. outstanding planning permissions for a further 48 dwellings (including 5 affordable homes).

2.3. The housing market area context

- 2.3.1. Whilst this Housing Needs Assessment (HNA) focuses on Wooler 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.
- 2.3.2. In the case of Wooler, the NA sits within a housing market area which covers Northumberland, although the 'Wooler and the North Cheviots' local housing market sub-area is also identified as a relevant geography in County-level evidence.⁴ The housing market area also has links to other neighbouring areas however, including Scottish Borders District to the north.
- 2.3.3. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Wooler, are closely linked to other areas. In the case of Wooler, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. For example, there are neighbouring towns with expansion planned, or regeneration strategies which might meet some of the needs or demand of the NA, including at Berwick Upon Tweed (see Local Plan Policy STP 1 – Focus Areas for Development).
- 2.3.4. In summary, Wooler functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Northumberland County Council), 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.

2.4. Planning policy context

- 2.4.1. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁵ In the case of Northumberland County Council, the relevant adopted Local Plan consists of:
- **Northumberland Local Plan (2016-2036):** Adopted by Northumberland County Council on March 31, 2022, this plan serves as the basis for decision-making on planning applications across the county.

⁴ Map 2.3 within the Northumberland County Council (2018) SHMA Update

⁵ 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>

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

- Local Plan Policy HOU 2 identifies an overall housing requirement for the county that equates to an **annual average of 885 net additional** dwellings;
- In Policy STP 1 Wooler is designated as a **Service Centre**, which will be a lesser focus for development than the main towns but will strengthen their role with proportionate development, particularly in housing and services.
- Policy HOU 6 requires major housing developments in Northumberland to provide affordable housing, based on the area's housing viability value. In Wooler, classified as a "medium value" area, **15% of homes in developments of 30 units** must be affordable, with a **33% rental** and **67% homeownership** split. It should be noted that the policy's tenure split is just a negotiable guideline based on the previous NPPF's requirement for at least 10% of dwellings on any site to be for affordable home ownership products, but that requirement has been removed from the new NPPF with a greater emphasis placed on affordable/social rented housing such that there is now scope for greater flexibility in the tenure mix to best meet local needs.
- Policy HOU 11 sets out an expectation that **20% of new market homes** and **50% of affordable homes** meet enhanced accessibility standards (**M4(2)** of the Building Regulations).

2.5. Quantity of housing to provide

- 2.5.1. The NPPF 2024 (paragraphs 69 and 70) requires LPAs to provide designated neighbourhood areas with a housing requirement which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Where it is not possible for the LPA to provide a requirement figure for a neighbourhood area the NPPF states that the LPA should provide an indicative figure, if requested to do so by the neighbourhood planning body.
- 2.5.2. NCC has fulfilled that requirement by providing Wooler with a **requirement of 170 dwellings** to be accommodated within the NA by the end of the Neighbourhood Plan period. This is set out in Policy HOU 3, which sets minimum housing requirements for designated neighbourhood areas to contribute to Northumberland's overall housing targets, including for Wooler (in the North Delivery Area). However, there are no specific development sites for residential housing in Wooler under Policy HOU 4.
- 2.5.3. While Local Plan Policy HOU 4 doesn't allocate any sites for housing development in Wooler parish, note that the current 'made' Wooler Neighbourhood Plan does allocate a few sites for housing development. Remaining housing allocations in the neighbourhood plan have indicative capacity for at least a further 60-65 dwellings over-and-above completions and outstanding permissions to date.

3. Objectives and Approach

3.1. Objectives

3.1.1. This HNA is structured according to a number of themes or topics that were agreed at the outset of the research with the Wooler Neighbourhood Working Group. 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

3.1.2. 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.

3.1.3. 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.

3.1.4. 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 add detail and nuance to reflect localized circumstances where this is supported by the evidence.

Housing Mix: Type and Size

3.1.5. 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 households need.

3.1.6. The focus of this section 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 change over time and what mix of homes would be most appropriate to build.

- 3.1.7. In addition to the direction of travel revealed by data, a variety of reasons sit behind the choices that households make that are less easy to predict, including wealth, accessibility requirements and personal preference. The evidence in this section provides a starting point for developing and justifying planning policies but does not provide definitive recommendations as it may be appropriate to take into account other factors and site specific circumstances.

Specialist Housing for Older People

- 3.1.8. It may be appropriate for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older persons.
- 3.1.9. This chapter supplements the demographic evidence in the previous section (Housing Mix: 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**.
- 3.1.10. 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.

3.2. Approach

- 3.2.1. 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;
 - 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, using a slightly wider boundary;
 - Local Authority housing waiting list data; and
 - NCC (2018) SHMA Update. This document is considered relatively dated and therefore drawn on to a lesser degree throughout the HNA.
- 3.2.2. Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including for parishes, and some datasets which compare

numerous variables, has not yet been made available. As such, this HNA draws 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 projections to build up evidence at the neighbourhood level.

4. Affordability and Affordable Housing

4.1. Introduction

4.1.1. 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.

4.1.2. 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.

4.1.3. 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.

4.1.4. This HNA has been undertaken in line with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) (published 2024).

4.2. Definitions

4.2.1. 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 2024 (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 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 products are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. This includes discounted market sales housing and other affordable routes to home ownership (shared ownership, rent to buy etc) which are defined in Annex 2. First Homes are also part of the range of affordable home ownership products,

but the definition of First Homes and policy is covered in a Ministerial Statement (2021) and not defined in Annex 2.⁶

4.3. Current tenure profile

- 4.3.1. 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.
- 4.3.2. Table 4-1 presents data on tenure in Wooler compared with Northumberland and England from the 2021 Census. Firstly, Table 4-1 shows that the most common tenure type in Wooler is home ownership, accounting for 62% of the total mix. This is roughly equivalent to the proportion across England (61%) but slightly lower than Northumberland (65%).
- 4.3.3. Private rent and shared ownership tenures account for a much smaller proportions in Wooler's tenure mix (15% and 0.3%, respectively). This is noticeably lower than England's shares, at 21% private rent tenures and 1% shared ownership. However, the NA has a reasonably high proportion of social rented tenures when compared to the two wider geographies, at just under a quarter of the total stock.

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

Tenure	NA	LA	England
Owned	61.6%	65.2%	61.3%
Shared ownership	0.3%	0.5%	1.0%
Social rented	23.6%	17.8%	17.1%
Private rented	14.5%	16.5%	20.6%

Sources: Census 2021, AECOM Calculations

- 4.3.4. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). The NA's high socially rented stock seems to have become more prominent since 2011, exhibiting a 3% increase. From LPA completions data, there appears to be multiple affordable housing schemes, particularly: Horsdonside (2016–17) for 14 new AH rent units; various infill and reuse schemes (e.g., Glendale Gateway Trust flats in 2014–15) which have all contributed to a modest but consistent growth in the social rented stock.
- 4.3.5. Although shown as 0%, shared ownership increased by three households from a baseline of zero, reflecting a small but notable introduction of this tenure in Wooler. From the LPA's completions data these only appear in 2013–14 at Fenton Grange, where shared ownership was introduced during this time but with very limited uptake or development since.

⁶ 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>.

- 4.3.6. It is noteworthy that private rent was the only form of tenure that fell during this time period. This indicates a loss of private rented sector dwellings due to change of use.

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

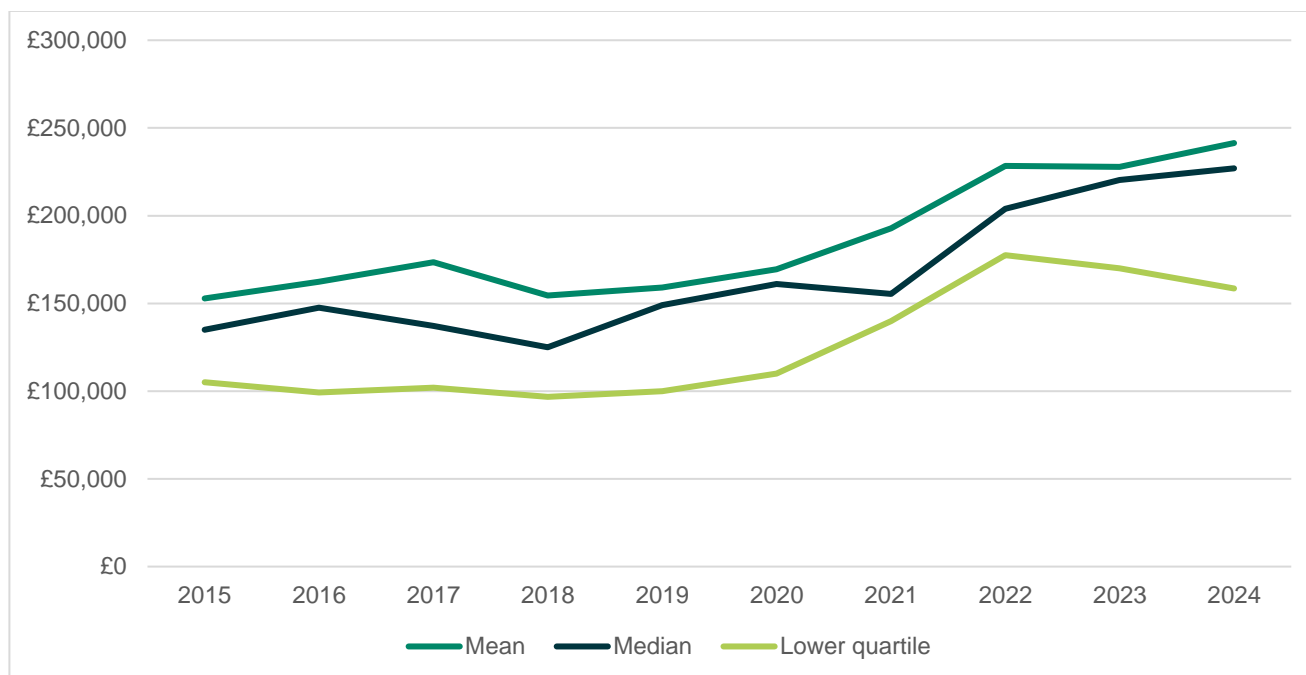
Tenure	2011	2021	% Change
Owned	577	628	8.8%
Shared ownership	0	3	0.0%
Social rented	234	241	3.0%
Private rented	163	148	-9.2%

Sources: Census 2021 and 2011, AECOM Calculations

4.4. Affordability

House prices

- 4.4.1. 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.
- 4.4.2. Figure 4-1 looks at the average and lower quartile house prices in Wooler based on sales price data published by the Land Registry. It shows that the current average (mean) household price for the NA is £241,398 which represents an 58% increase since 2015. Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median. It is also likely to be affected by small numbers of transactions in NAs such as Wooler.
- 4.4.3. The median, which is the middle number when you sort the data from smallest to largest sits at £227,000, representing a 68% increase over the same period. The lower quartile is the middle figure of the lowest 50% of prices and a good representation of entry-level housing. Notably, all three measurements (mean, median, and lower quartile prices) exhibited a steep increase between 2021 and 2022.
- 4.4.4. However, the data may be influenced by variations in property sales in any given year, particularly due to the small number of transactions. As a result, year-to-year price comparisons may be unreliable. However, it is worth noting that median property prices have shown a general increase over the past decade. Therefore, this HNA focuses on overall price trends over time rather than year-to-year fluctuations, as these can be skewed by the limited sample size and the varying types of properties sold.
- 4.4.5. It is noteworthy that the mean NA house price is above that of Northumberland in 2024, which suggests the NA is a relatively high-value area within the county. This is in spite of the differences in the housing mix, with a lower proportion of detached homes in the NA when compared to the LA – discussed further in Section 5: Type and Size.

Figure 5-1: House prices by quartile in Wooler, 2015-2024


Source: Land Registry PPD

4.4.6. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that that the average growth for median house prices across all types was 68%.

4.4.7. Looking closer at the different house types reveals that semi-detached house prices grew the most since 2015, by just under 45%, closely followed by detached price-growth at 44%. Terraced house-prices and also grew, but at a relatively lower rate (22%). While there were not enough recorded 'flat' valuations in the NA to interpret their growth over the same period, prices increase were roughly 30% between 2017-2024.

Table 4-3: Median house prices by type in Wooler, 2015-2024

	Detached	Semi-Detached	Terraced	Flats	All Types
2015	£237,500	£139,475	£107,000	No Sales	£134,950
2016	£260,000	£157,000	£109,865	No Sales	£147,500
2017	£262,000	£135,000	£102,000	£69,500	£137,200
2018	£250,000	£114,000	£108,000	£74,500	£125,000
2019	£227,500	£151,750	£100,000	£63,000	£149,000
2020	£260,000	£127,000	£135,000	£52,500	£161,000
2021	£301,000	£155,000	£145,000	£140,975	£155,500
2022	£305,000	£199,950	£145,000	£132,500	£203,950
2023	£324,950	£219,950	£136,000	£120,000	£220,410
2024	£340,975	£202,000	£130,000	£90,000	£227,000
Price Growth	43.6%	44.8%	21.5%	29.5% (2017-2024)	68.2%

Source: Land Registry PPD

Income

- 4.4.8. Household incomes determine the ability of most 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.
- 4.4.9. 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 £36,500 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A. It should be noted that since the HNA was prepared, ONS released updated affordability data in late March 2025, covering house prices and earnings as of September 2024. This includes median residence-based earnings of £35,996 and lower quartile residence-based earnings of £22,525. However, this new data does not materially affect the conclusions of the HNA or require changes to the affordability thresholds set out in Table 4-4.
- 4.4.10. 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.
- 4.4.11. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Northumberland's gross individual lower quartile annual earnings were £19,125 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £38,250.
- 4.4.12. It is clear from this data that there is a large gap between the spending power of average income households and those earning the lowest 25% of earnings, particularly where the household in question has one earner only.
- 4.4.13. Indeed, a Wooler Housing Needs Survey (Final Report) was published February 2018. 55% of respondents, who indicated their household income and expressed a housing need, indicated an annual household income of less than £20,000 (18 households). Only 18% of respondents indicated an annual household income above £30,000 and none above £60,000. However, it should be noted that the data here from the 2018 local housing needs survey will inevitably be somewhat out-of-date relative to the latest ONS figures.

Affordability Thresholds

- 4.4.14. 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 assessed using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.4.15. AECOM has determined thresholds for the income required in Wooler to buy a home in the open market (average and entry-level prices), and the income required to afford private rents 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.

- 4.4.16. 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.
- 4.4.17. 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.
- 4.4.18. The analysis in Table 4-4 does not take account of wealth (beyond savings sufficient for a 10% deposit) or existing housing equity which may provide substantial additional financial resources for many existing home owners. Wealth and equity resources are difficult to measure, particularly at the localized level.
- 4.4.19. Furthermore, the affordability analysis in HNAs is primarily focused on access to different housing options for those entering the market for the first time, either to rent or buy, and developing policies that support those who have difficulty accessing market housing. Nevertheless, many households will have additional resources that are not factored into this analysis. This is particularly the case for older owner occupiers since many own their homes outright, and/or have built up substantial equity in their existing homes over time.
- 4.4.20. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property.
- 4.4.21. 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 Wooler (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £36,500	Affordable on LQ earnings (single earner)? £19,125	Affordable on LQ earnings (2 earners)? £38,250
Market Housing						
Median House Price	£204,300	-	£58,371	No	No	No
Estimated NA New Build Entry-Level House Price	£192,293		£54,941	No	No	No
LQ/Entry-level House Price	£142,650	-	£40,757	No	No	No
LA New Build Median House Price	£229,296	-	£65,513	No	No	No
Average Market Rent (and Rent to Buy)	-	£20,280	£67,600	No	No	No
Entry-level Market Rent (and Rent to Buy)	-	£16,800	£56,000	No	No	No
Affordable Home Ownership						
Discounted Market Sale (-20%)	£153,835	-	£43,953	No	No	No
First Homes (-30%)	£134,605	-	£38,459	No	No	Marginal
First Homes (-40%)	£115,376	-	£32,965	Yes	No	Yes
First Homes (-50%)	£96,147	-	£27,470	Yes	No	Yes
Shared Ownership (50%)	£96,147	£2,671	£36,373	Yes	No	Yes
Shared Ownership (25%)	£48,073	£4,006	£27,089	Yes	No	Yes
Shared Ownership (10%)	£19,229	£4,807	£21,519	Yes	Marginal	Yes
Affordable Rented Housing						
Affordable Rent	-	£5,167	£17,222	Yes	Yes	Yes
Social Rent	-	£3,810	£12,700	Yes	Yes	Yes

Source: AECOM Calculations

4.4.22. 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

4.4.23. 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 all incomes

listed in the table. The median house price would require an annual income almost 60% higher than the current average.

- 4.4.24. Private renting is generally not affordable to any of the above income households. 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.
- 4.4.25. There is strong potential demand for affordable home ownership products since buying in the NA is a similar price as renting and may suggest availability of deposits is the constraint rather than having sufficient income to afford the mortgage.

Affordable home ownership

- 4.4.26. There is a relatively large group of households in Wooler who may be able to afford to rent privately but cannot afford home ownership. They typically have incomes between around £56,000 per year (at which point entry-level rents become affordable) and £40,757 (at which point entry-level market sale homes become affordable). Renting appears unusually expensive relative to the costs of buying in the NA, and affordable ownership properties serve a different purpose than usual - they don't offer a route to ownership for those who can only afford to rent. Rather they reduce the cost of ownership generally for people who potentially can't afford either.
- 4.4.27. Discounted Market Sale homes are offered at a discount at least 20% on market prices. First Homes are offered at a discount of at least 30% on market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate. NCC has advised that they typically seeks for and achieves 30% discounts on Discounted Market Sales/Value homes to help improve affordability, rather than the NPPF's minimum 20% discount, so v similar to the baseline 30% discount for First Homes.
- 4.4.28. This report has estimated the income required to afford discounts of 20-50% to cover the range of discounts likely to be available on these different products. Based on our calculations, First Homes at the discount levels of 30% would not bring home ownership to within affordable levels for average income, LQ1 or LQ2 earning households. As such the higher possible discounts of 40% and 50% would be needed, but would primarily serve those with average and LQ2 incomes.
- 4.4.29. 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. In some case, higher discount levels could create a financial burden on a scheme which leads developers to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be reduced. The latter might put at risk the delivery of Social/ Affordable rented housing which may be an unintended consequence. 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 Wooler Neighbourhood Working Group intend to set higher discount levels (e.g. on First Homes) than that set at NCC level, further discussions with the LPA are advised.

- 4.4.30. Shared ownership appears to offer a similar level of affordability as First Homes but is broadly accessible to the same groups (LQ2 and average income households). The minimum equity share for shared ownership is 10% of the property value.⁷ If this is delivered in the NA, it will make shared ownership easier to access for more households. 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 or discounted market sale products) for those who can afford them.
- 4.4.31. Rent to Buy provides households with the option to rent at a discount (an intermediate rent at least 20% lower than the market rent) in order that they can save for a deposit to buy their property within a set period. 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.
- 4.4.32. If Rent to Buy is offered at a discount to *entry level* rents, this may expand this route to home ownership. However, discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, less affordable to First Homes and Shared Ownership. 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.
- 4.4.33. The range of 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:
- Discounted Market Sale and 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 DMS/First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower income 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 likely to be more attractive than renting but results in a much

⁷ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

Social and Affordable Rented housing

- 4.4.34. Social and Affordable Rented housing performs a critical role in supporting households with the most acute housing needs. These households are likely to be on the lowest incomes and unable to afford market housing without subsidy.
- 4.4.35. 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 Wooler.
- 4.4.36. Affordable rented housing is generally affordable to households with one or more lower earners depending on their household size (average income households are unlikely to be eligible). Many households eligible for Social/Affordable Rented homes will require additional subsidy through Housing Benefit/Universal Credit to access housing.
- 4.4.37. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)⁸.
- 4.4.38. Social Rents are cheaper than Affordable Rents and, in theory, would leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. This is particularly the case for households who are supported by Housing Benefit and subject to the overall benefit cap since their benefit income is limited by the cap and they may not be able to claim enough to cover the Affordable Rent.
- 4.4.39. Where households are supported by housing benefit and not affected by benefit caps, 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 these households may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.
- 4.4.40. Households who are not supported by benefits, for example those whose earnings are higher and making them ineligible for benefits, would clearly benefit by the lower Social Rent levels because it would reduce their outgoings. However, these households are less likely to be in acute need on housing waiting lists. Rather, this scenario might apply to those already living in Social Rented housing where their financial circumstances have improved.
- 4.4.41. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of

⁸ National Planning Policy Framework

Affordable Housing should be provided as Social Rent, drawing on their waiting list data and more detailed evidence in LHNAs. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

4.5. Estimates of the need for Affordable Housing

- 4.5.1. This section estimates the need for Affordable Housing which should be considered separately for Social/ Affordable rented housing and affordable home ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

AECOM Estimates

The Need for Social/Affordable Rented Homes

- 4.5.2. AECOM estimates the need for 1.2 Social/Affordable rented homes per annum in Wooler, equating to a total of 18 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.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	6.6
Newly arising need	1.9
Supply	7.2
Net shortfall	1.2

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

The Need for Affordable Home Ownership Homes

- 4.5.3. Turning to affordable home ownership, AECOM estimate potential demand for 4.7 such dwellings per annum in Wooler, equating to a total of 71 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6 below.
- 4.5.4. 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 social/affordable rented housing.
- 4.5.5. However, it should also be noted that this potential need may be overstated due to local market idiosyncrasies. Specifically, renting in Wooler appears to be unusually expensive relative to the cost of buying, which undermines the usual assumption that those able to rent might logically aspire to buy. In this context, affordable home

ownership products may serve a slightly different function—rather than offering a traditional route to ownership for those unable to buy outright, they may simply reduce the overall cost of ownership for households who may struggle to afford either option. This suggests that the role and relevance of affordable home ownership in the area requires careful interpretation.

Table 4-6: Estimate of need for Affordable Home Ownership Homes in Wooler

Component of need or supply in the AECOM estimate	Per annum
Current need	4.5
Newly arising need	0.3
Supply	0.2
Net shortfall	4.7

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

Evidence in the SHMA

- 4.5.6. A SHMA was undertaken for Northumberland in 2018. This study estimates the need for affordable housing in NCC 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. A new updated SHMA Review 2024 for Northumberland has recently been carried out, but is not yet published (it will be available on our website soon).
- 4.5.7. The SHMA Update 2018 identified a gross affordable housing need 2017-2022 of 374pa It recommended a guideline 50:50 split between affordable rented and affordable home ownership tenures. See para.7.36 with footnote 53 and para.7.41 of the Northumberland Local Plan.
- 4.5.8. When the SHMA figures are pro-rated to Wooler based on its fair share of the population (0.6% of the County's population according to Census estimates), this equates to 2 homes per annum or 33 homes over the 15 year Neighbourhood Plan period—17 for affordable rented homes and 16 for affordable home ownership dwellings. SHMA analysis of affordable housing need also indicates an ongoing need for a range of affordable housing, with a focus on 1 and 2-bedroom dwellings.
- 4.5.9. However, pro-rating NCC level estimates of affordable housing need to rural areas presents problems in practice. The Local Authority level figures are likely to represent higher needs in urban areas where there is a large social housing stock and larger numbers of households living in private rented homes on housing benefit. Both of these factors tend to generate higher needs. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is difficult to identify need for social/affordable rented housing within Wooler.

Additional evidence of Affordable Housing needs

- 4.5.10. LPA (Homefinder) data provided in February 2025 for Wooler Parish provides a clear indication of unmet affordable housing demand. A total of 99 applicants with a local

connection are currently registered, with the majority either privately renting (25), living with family/friends (16), or already in Registered Social Landlord accommodation (42), suggesting pressure on existing affordable stock and limited alternative options.

4.5.11. Only 16 properties were advertised in the previous year, with:

- 3 bungalows;
- 1 flat; and
- 12 houses (mostly 2-bed).

4.5.12. This low level of turnover relative to demand (especially for smaller units) highlights a mismatch between the scale of current supply and that of the applicant pool.

4.5.13. A Wooler Housing Needs Survey (Final Report) was published in February 2018. 56 of 292 respondents said their home was unsuitable (about 19% of respondents).

4.5.14. The survey found that among renters, key issues included affordability, unsuitability, and the lack of availability of homes locally. There was strong demand for smaller, accessible, and affordable homes – particularly for older residents and those on lower incomes.

4.6. Affordable Housing policies in Neighbourhood Plans

4.6.1. This section outlines a common Neighbourhood Plan policy lever regarding the tenure mix of affordable housing, provides a recommendation and summarises relevant considerations.

Application of Local Plan policies

4.6.2. Northumberland County Council's adopted policy on this subject HOU 6 requires 15% of developments of 30 units to be affordable. Given that Affordable Housing made up over 40% of new housing in Wooler over the last decade according to Northumberland County Council completions figures, it is understood that this target is usually met on sites in the NA.

4.6.3. 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.

4.6.4. 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.

Affordable Housing at Neighbourhood level

- 4.6.5. 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 Wooler on the basis of identified housing need and a range of other considerations detailed in Appendix D.
- 4.6.6. The tenure mix within Affordable Housing required in the adopted Local Plan is 33% social/affordable rented and 67% affordable home ownership.
- 4.6.7. The Local Plan's guideline mix appears to provide a suitable benchmark. As shown in Table 4-4, affordable rented tenures offer greater affordability for households with a single LQ earner. The NA is more expensive than the NCC, meaning affordable homeownership may be less accessible here for average income households. Therefore, prioritizing social/affordable rent—which is genuinely affordable and allocated to those in need—seems more appropriate. The NCC mix of 33% appears to contribute to this and may help to address this issue. While social and affordable rented housing plays a crucial role in supporting households with the most acute housing needs in the NA, there is already a significant stock of such homes (241 in 2021), which should help meet local demand. However, there is a noticeable shortage of shared ownership options, with only 3 available in 2021.
- 4.6.8. Therefore, there is clear need for a range of different affordable housing tenures – both rented and affordable home ownership. The evidence suggests affordable home ownership products could deliver a wide choice within this NA and their delivery would not appear to prevent sufficient provision of Social/Affordable rented housing for those in acute need.
- 4.6.9. AECOM suggest priority is given within the mix of affordable home ownership properties. AECOM suggest an indicative (ownership) mix of 40% discounted market sale or First Homes, 40% shared ownership and 10% rent to buy. Although not as helpful as First Homes, rent to buy offers an option for households who lack savings or deposits and this appears to be the key barrier in this NA.
- 4.6.10. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)⁹.
- 4.6.11. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data, housing benefit data, more detailed evidence in LHNAs and viability assessments. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.
- 4.6.12. Where the Wooler Neighbourhood Working Group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around

⁹ National Planning Policy Framework

sub-tenures, it is important that they liaise with NCC 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.

4.7. Conclusions- Affordability and Affordable Housing

Current tenure profile

- 4.7.1. Beginning with the tenure mix, this chapter finds that home ownership is the most common tenure type in Wooler, making up 62% of the total mix. This is similar to the national average in England but slightly lower than Northumberland.
- 4.7.2. The NA has a notably high stock of socially rented homes, but has a corresponding lack of shared ownership products. Affordable housing schemes, including Horsdonside (2016–17), have contributed to a steady growth in social rented housing. It is noteworthy that private rent was the only form of tenure that appears to have fallen since 2011.

Affordability

- 4.7.3. There is a significant gap between the income of average earning households in the NA (£36,500) and the lowest 25% across Northumberland (£19,125), particularly for single-earner households. 55% of the Wooler Housing Needs Survey respondents earned less than £20,000 annually. The average house price in the NA is £241,398, which has increased by 58% since 2015, making it unaffordable for most average income households. The NA is notably a high-value area within Northumberland.
- 4.7.4. Overall, affordability remains a critical issue in the NA. Table 4-4 highlights that the median house price would require an annual income almost 60% higher than the current average and that private renting is generally not affordable to any of the above income benchmarks.

The need for Affordable Housing

- 4.7.5. This chapter found that Affordable Housing performs a vital role in the NA:
- **First Homes** with higher discounts (40-50%) open up affordability to average and LQ2 earners, making homeownership more accessible to these groups.
 - **Shared ownership**, even at a 50% equity share, is similarly affordable to LQ2 and average income households, providing an easier entry point to homeownership.
 - **Rent to Buy** offers a more accessible route to ownership for households needing a deposit, and its affordability depends on the rent discount, which can make it attractive to those who may not qualify for other products.
 - **Social and Affordable Rented Housing** plays a vital role in providing affordable housing LQ1 households, offering options for those unable to access market housing without subsidies.

- 4.7.6. AECOM estimates the need for **1.2** Social/Affordable rented homes per annum and **4.7** Affordable Home Ownership in Wooler. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5.

Affordable Housing policy

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

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

Step in Estimation		Expected delivery
A	Residual housing requirement figure	170
B	Affordable housing quota (%) in LPA's Local Plan	15
C	Potential total Affordable Housing in NA (A x B)	26
D	Rented % (e.g. social/ affordable rented)	33%
E	Rented number (C x D)	9
F	Affordable home ownership % (e.g. Shared Ownership, Discounted Market Sale, First Homes, Rent to Buy)	67%
G	Affordable home ownership number (C x F)	17

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

- 4.7.8. This expected level of delivery is below both AECOM's estimated quantity of demand identified in this chapter and the pro-rated SHMA estimates. 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.
- 4.7.9. It should be noted that Table 4-8 is hypothetical and may not reflect actual delivery on the ground. While the Local Plan sets a minimum housing requirement for the

parish of 170 net additional dwellings, as explained earlier (see para. 2.2.4), 109 net additional homes had already been completed during the first eight years of the plan period. This includes 48 affordable homes.

- 4.7.10. This leaves a residual requirement of just 61 dwellings for the remainder of the plan period (2024–2036). As of 31 March 2024, there were also outstanding planning commitments for a further 48 dwellings, including 5 affordable homes. This means only around 13 more dwellings (at a minimum) need to be permitted and delivered in order to meet the parish’s minimum housing requirement for the plan period as a whole.
- 4.7.11. If we apply this analysis to the full 170-dwelling requirement over the entire plan period, it's important to recognise that 53 affordable homes have already been accounted for—48 from completed developments and 5 from existing permissions. The current neighbourhood plan also allocates three remaining sites, which are expected to deliver at least 60–65 new homes in total. This indicates that the minimum housing requirement of 170 dwellings will be exceeded.
- 4.7.12. Policy HOU 6 requires 15% of homes to be affordable only on developments of 30 or more dwellings in ‘medium value’ areas such as this parish. Smaller developments—those of 1 to 29 dwellings—are not required to provide any affordable housing under this policy.
- 4.7.13. Of the three allocated but unpermitted sites in the current neighbourhood plan, only one—the playing field site south of The Martins—is considered large enough to meet the 30+ dwelling threshold, with an indicative capacity for 40+ dwellings. At the 15% policy requirement, this would deliver just 6 affordable homes.
- 4.7.14. Therefore, unless higher proportions of affordable housing are offered voluntarily on allocated sites, or additional affordable homes are delivered through small rural exception sites or community-led developments, the level of affordable housing delivered in the parish will remain somewhat dependent on further sites of 30+ dwelling capacity coming forward—potentially including additional allocations in a reviewed neighbourhood plan.

5. Housing Mix: Type and Size

5.1. Introduction

- 5.1.1. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of the type and size of new homes. This requires evidence of what local households need.
- 5.1.2. This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this section 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 aspirations 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.
- 5.1.3. This section has three aims, each given its own sub-section:
- To establish what **mixture** 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.
- 5.1.4. It is important to keep in mind that housing need is not an exact science. To move 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 households tend to live in at different stages of life. However, a variety of other reasons sit behind their housing choices that are less easy to predict, including wealth, accessibility requirements and personal preferences. Some trends can also change rapidly over time, such as the increasing preference for home working in some sectors of the economy.
- 5.1.5. The analysis and conclusions provided in this section are therefore not definitive. Rather, they are what the data 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 where appropriate.

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.

5.2. The current housing mix

- 5.2.1. This section establishes the current housing mix of Wooler, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

- 5.2.2. Table 5-1 compares the NA mix to wider benchmarks. It shows that all three comparator geographies are dominated by semi-detached accommodation. This is particularly true in the NA, with 40% of accommodation falling into this category. It is clear from Table 5-1 that the NA is lacking in flats (occupying roughly 10% of the total mix), when compared to NCC and country at 11% and 22% respectively. Consequently, the two wider geographies display a more varied mix of dwelling types. This is especially true of England, where all dwelling types account for a minimum of 20% of the total mix. However, a lack of variety is fairly common for more rural areas.
- 5.2.3. The Census does not capture bungalows as a separate category but this has been obtained from the VOA which illustrates 20% of the NA's housing is in the form of bungalows – significantly higher than NCC and National average (at 15% and 9%, respectively). Nevertheless, the Wooler Neighbourhood Working Group may wish to maintain a higher proportion of bungalows in the NA, to address its rapidly aging population, as discussed in the ensuing chapter, 6: Specialist housing for older people.

Table 5-1: Accommodation type, Wooler and comparator geographies, 2021

Type	Wooler	Northumberland	England
Detached	22.0%	27.2%	22.9%
Semi-detached	40.0%	36.1%	31.5%
Terrace	23.8%	25.7%	23.0%
Flat	9.8%	10.7%	22.2%

Source: Census 2021, AECOM Calculations

5.2.4. Table 5-2 looks at the change between the 2011 and 2021 accommodation type mix in Wooler. The Census data confirms that Wooler's dwelling type mix has been dominated by semi-detached accommodation for the last decade. The number of flats accounts for a much smaller percentage of Wooler's dwellings at around 10% which has decreased by 21.9% since 2011 (or 2% points).

5.2.5. The lack of smaller dwelling types may be contributing to the affordability issues discussed in Section 4: Affordability and Affordable Housing. This trend seems to have become more pronounced in NA, between 2011 and 2021 with larger detached dwellings increasing; and with the proportion of terraced homes staying relatively stable across the same time period. However this needs to be caveated here because the table shows 74 fewer dwellings using Census data despite completions of over 100 according to NCC data.

5-2: Accommodation type, Wooler, 2011-2021

Type	2011	%	2021	%
Detached	215	19.7%	224	22.0%
Semi-detached	422	38.6%	408	40.0%
Terrace	263	24.0%	243	23.8%
Flat	128	11.7%	100	9.8%
Total	1,094	100%	1,020	100%

Source: ONS 2021 and 2011, AECOM Calculations

Dwelling size

5.2.6. Table 5-3 below presents the current housing mix in terms of size compared to the wider local authority and country. It shows that the NA (and county) is severely underrepresented in 1-bedroom dwellings when compared country as a whole. The inverse is true for 2-bedroom dwellings, with Wooler having 42% of dwellings in this category compared to 28% for Northumberland and 27% for England. As such, Wooler exhibits a much lower proportion of 3-bedroom and particularly 4+ bedroom dwellings than the comparator geographies.

Table 5-3: Dwelling size (bedrooms), Wooler and comparator geographies, 2021

Number of bedrooms	Wooler	Northumberland	England
1	8.6%	7.2%	11.6%
2	41.6%	28.1%	27.3%
3	35.9%	42.9%	40.0%
4+	13.8%	21.8%	21.1%

Source: Census 2021, AECOM Calculations

- 5.2.7. Table 5-4, below presents the housing mix in terms of size over the last ten years. It reinforces that the NA is dominated by mid-large sized dwellings, specifically 2 and 3 bedroom housing, which represent a combined 78% of the housing stock in 2021. There appears to be a stable stock of 3-bedroom properties in the NA, which represented around 35% of the overall stock in both 2011 and 2021.
- 5.2.8. Interestingly, the percentage of 1-bedroom housing appears to have decreased dramatically since 2011 (by 23%), with a stark increase in the percentage of 2-bedroom properties across the same period.
- 5.2.9. This may be due to the replacement of existing homes in the process of recent development, or a sign of extensions moving a number of existing homes into larger size categories, this is certainly the case to some degree: The marked decrease in 1-bedroom properties and concurrent increase in 2-bedroom homes observed between 2011 and 2021 appears to be reflected in the completions data for Wooler Parish. For instance, over the 13-year period, very few 1-bedroom units were delivered—notably just five (1-bed) homes in total, including small-scale conversions such as at 29 Church Street (2014/15) and The Wheatsheaf Hotel (2014/15).
- 5.2.10. In contrast, 2-bedroom dwellings dominate the delivery pipeline, accounting for a substantial number of completions, especially as part of affordable housing schemes. Key examples include 14 x 2-bed bungalows and houses at Horsdonside in 2016/17, 2-bed flats at 31 High Street and Wooler Library in 2012/13, and a major development at Kings Mead delivering at least 31 x 2-bed units between 2021 and 2024.

Table 5-4: Dwelling size (bedrooms), Wooler, 2011-2021

Number of bedrooms	2011	%	2021	%
1	114	11.7%	88	8.6%
2	379	38.9%	424	41.6%
3	350	35.9%	366	35.9%
4+	131	13.4%	141	13.8%
Total	974	100%	1,019	100%

Source: ONS 2021 and 2011, AECOM Calculations

5.3. Population characteristics

- 5.3.1. 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

- 5.3.2. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. According to the most recent census data, Wooler has experienced a slight population decrease of around 53 people since 2011 (3%) when the Census data recorded a total of 1,983 residents. This trend contrasts with Northumberland, which exhibited a population increase by 1.4%, rising from approximately 316,000 to 320,600 residents across the same period.

- 5.3.3. The demographic structure of the Neighbourhood Area (NA) has shifted notably over the past decade, with clear signs of an ageing population. While the overall population slightly declined by 2.7% between 2011 and 2021, the most substantial growth was seen among those aged 65–84, increasing by 36.3%. This group now accounts for over a third of the population (34.7%), up from 24.8% in 2011. This growth will likely coincide with the need for enhanced housing accessibility features; adaptable design and community and social considerations, which will be discussed further in Chapter 6: Specialist housing for older people.
- 5.3.4. In contrast, the proportion of younger residents has declined across all younger age bands. The 15–24 age group experienced the most significant decrease, dropping by 35.5%, while children aged 0–14 declined by 14.7%, and adults aged 25–44 dropped by 12.5%. Even the typically larger 45–64 group has reduced by 13.6%, suggesting a gradual movement of this cohort into older age brackets.
- 5.3.5. The stability of the 85+ group, which remained at 5.8%, alongside the growth in the 65–84 age band, suggests improved longevity and the possible in-migration of older adults or retirees. This trend may also be a result of local residents from the 2011 65–84 category remaining in the NA and transitioning into older age brackets, or may be a function of the NA's attractiveness as a destination for older individuals and families at retirement age with the high bungalow housing stock (see section 1.3.2) being part of the attraction.

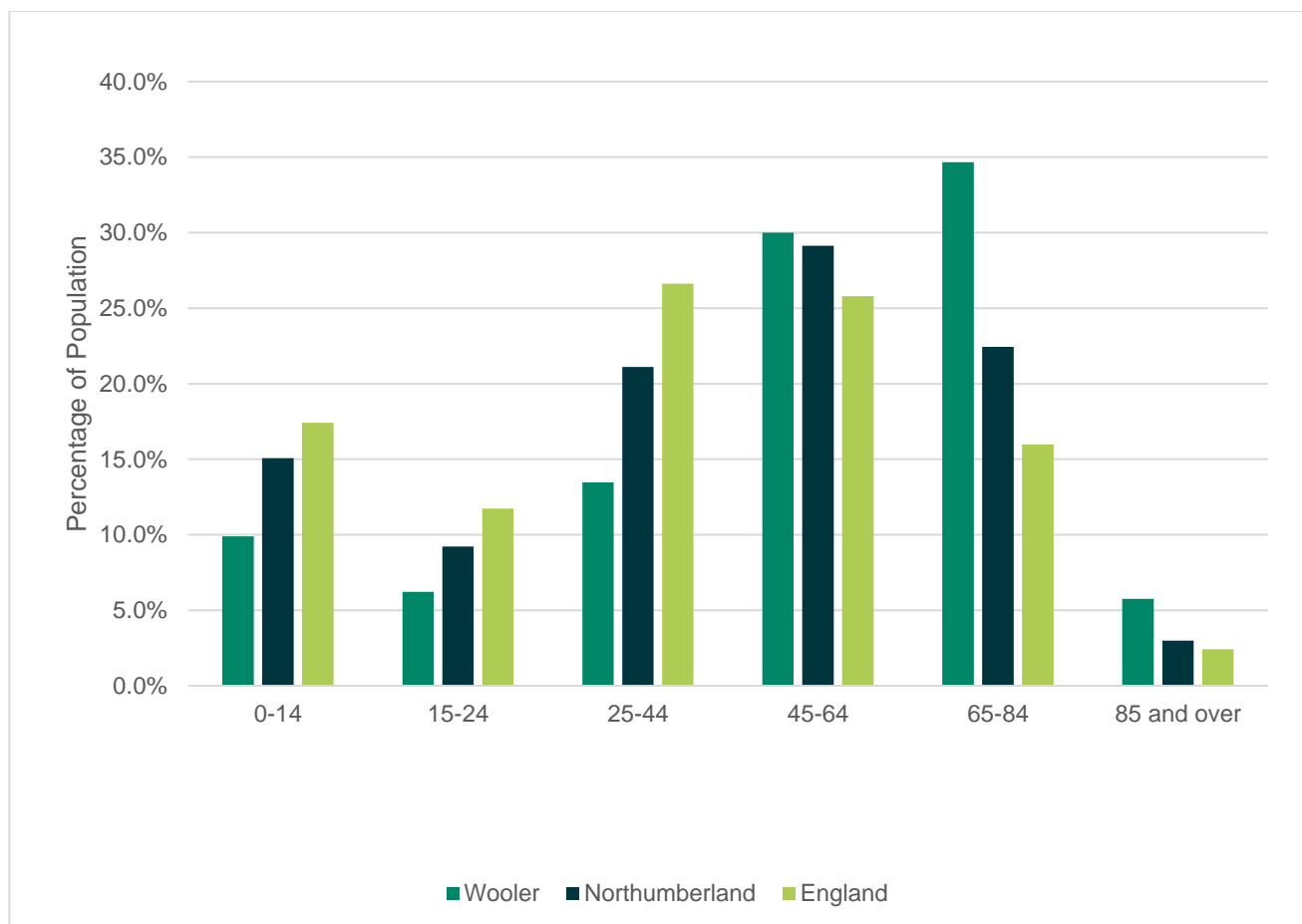
Table 5-5: Age structure of Wooler, 2011 and 2021

Age group	2011 (Census)		2021 (Census)		Change
0-14	224	11.3%	191	9.9%	-14.7%
15-24	186	9.4%	120	6.2%	-35.5%
25-44	297	15.0%	260	13.5%	-12.5%
45-64	670	33.8%	579	30.0%	-13.6%
65-84	491	24.8%	669	34.7%	36.3%
85 and over	115	5.8%	111	5.8%	-3.5%
Total	1983	100.0%	1,930	100.0%	-2.7%

Source: ONS 2011, ONS 2021, AECOM Calculations

- 5.3.6. For context, it is useful to look at the NA population structure alongside that of NCC and country. Figure 5-1 (using 2021 Census data) reinforces that the NA has an older age distribution, with the 45-64; 65-84; and 85+ categories all exceeding that of the wider geographies.
- 5.3.7. This is particularly true for the 65-84 age category, which sits at 35% compared to only 16% for England – a large proportion of the population that will continue to age through the Plan period towards 2040. As expected, the three remaining younger age categories are considerably underrepresented when compared to the Northumberland and England.

Figure 5-1: Age structure in Wooler, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

- 5.3.8. 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 reveals that the majority of households within all three geographies fall into the 'one family only' category, accounting for around 57% of the total mix in the NA.
- 5.3.9. The sub-categories presented in Table 5-6 are also fairly consistent across all three geographies. However, the influence of the NA's older population is apparent when turning to the subcategories relating to families (usually couples) and single person households aged 65 and over, which are higher than the wider-area averages.
- 5.3.10. A lower proportion of families with dependent children in the NA compared to comparator areas may suggest that the area is less attractive or accessible to younger households, potentially due to a lack of employment, or suitable/affordable family housing. This could indicate a need to diversify the local housing stock by increasing the availability of larger, affordable homes to better support family formation and encourage longer-term settlement by younger households.

Table 5-6: Household composition, Wooler, 2021

Household composition		NA	LA	England
One person household	Total	40.5%	32.8%	30.1%
	Aged 66 and over	23.9%	15.6%	12.8%
	Other	16.6%	17.2%	17.3%
One family only	Total	57.0%	64.5%	63.1%
	All aged 66 and over	16.8%	12.7%	9.2%
	With no children	19.7%	19.0%	16.8%
	With dependent children	12.7%	22.2%	25.8%
	With non-dependent children ¹⁰	7.4%	10.1%	10.5%
Other household types	Total	2.6%	2.7%	6.9%

Source: ONS 2021, AECOM Calculations

- 5.3.11. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A household 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.
- 5.3.12. The occupancy rating data from the 2021 Census, presented in Table 5-7, reveals an overall trend of underoccupancy in Wooler, with around 80% of households having at least one unused bedroom. The 'Family under 65 – no children' followed by 'Family 66+', households are most likely to have a +2-occupancy rating. It may be the case that additional smaller-sized homes in the NA for households in these categories looking to downsize may free up some larger housing. Indeed, 27% of respondents from the 2018 Wooler Housing Needs Survey stated that their current property was "too large" when asked for 'reasons why their current home is unsuitable'. Many respondents of the Wooler Survey also indicated they were equity-rich property owners but were income-poor and looking to downsize.
- 5.3.13. In contrast, the 'Family under 66 – dependent children group shows that roughly 2% of households are overcrowded (-1 rating). Although this represents a small proportion, it highlights an acute need, particularly among families with children. The unaffordability of housing may force adult children to leave the area in search of more affordable living options, contributing to the 'out-migration' of younger populations. This not only puts pressure on families but also adds to the aging population trend discussed above, as fewer younger people remain to support the community's long-

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

term sustainability. This further underscores the need for affordable housing, discussed in section 4.

5.3.14. The Covid-19 pandemic has had an impact on how households use their homes, with an increase in home working post-pandemic, changing the way many households occupy their homes. It may therefore be assumed that households where one or more person works from home (either full-time or as part of hybrid working) would seek more spacious properties, often with an extra bedroom which could be used as an office or study (although this would still be considered under-occupancy within the Census). However, households would need to balance the desire for larger dwellings for homeworking with affordability.

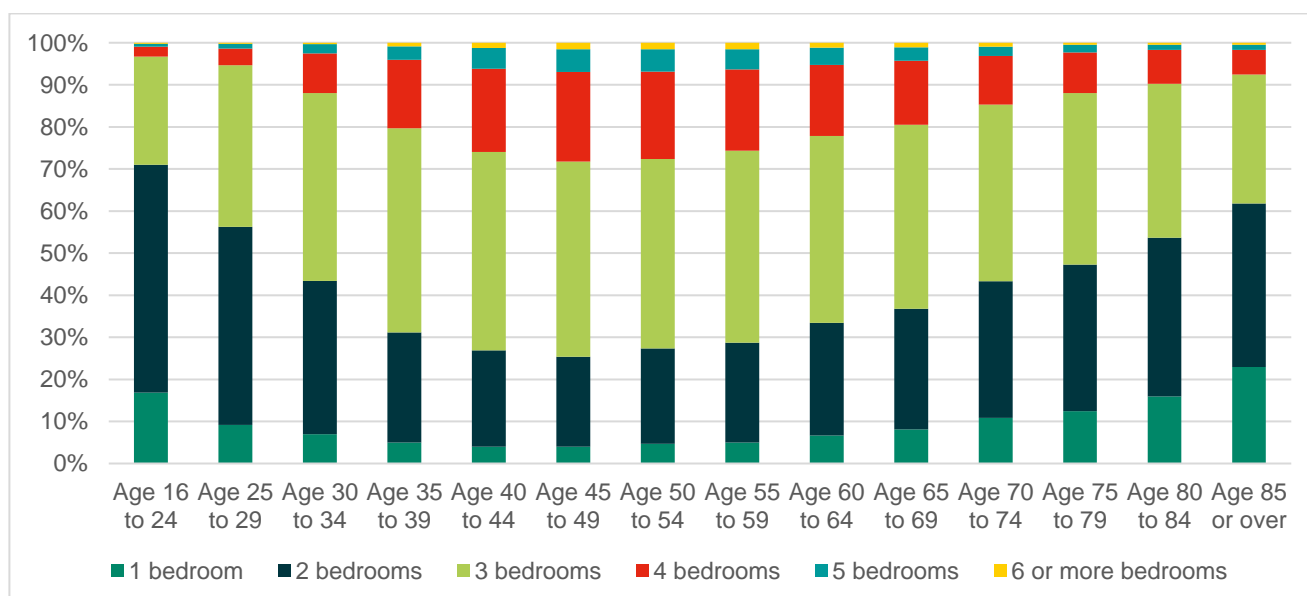
Table 5-7: Occupancy rating by age in Wooler, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	52.9%	43.6%	3.5%	0.0%
Single person 66+	35.0%	44.4%	20.6%	0.0%
Family under 66 - no children	56.4%	39.7%	3.9%	0.0%
Family under 66 - dependent children	14.8%	28.9%	54.7%	1.6%
Family under 66 - adult children	16.2%	45.9%	36.5%	1.4%
Single person under 66	30.2%	55.0%	14.8%	0.0%
All households	37.0%	43.0%	19.5%	0.5%

Source: Census 2021, AECOM Calculations

5.3.15. 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

5.4. Future population and size needs

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

Age

- 5.4.2. The result of applying Local Authority level household projections to the age profile of Wooler 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 the '65 and over' household age bracket expected to grow by 70% by 2040. Whilst this change is taking place, the younger age brackets and economically productive age bracket of will all collectively decline.
- 5.4.3. Overall, it is expected that if current trends persist, and the goal is to accommodate these demographic shifts, then future housing delivery in Wooler should prioritise the provision of dwellings that would be appropriate to accommodate the area's growing elderly population. Based on these projections alone, it may, for example, be appropriate to focus on delivery of smaller-sized dwellings for older households who may be looking to downsize. However, the rate of future ageing across the NA may also depend on its ability to retain and attract a replacement younger population. This could entail employment and lifestyle reasons but may also be supported by a more diverse and modern housing offer.

Table 5-8: Projected age of households, Wooler, 2011 - 2040

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	14	64	273	199	424
2040	11	60	241	197	721
% change 2011-end of Plan period	-23%	-6%	-12%	-1%	70%

Source: AECOM Calculations

- 5.4.4. 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 5-8 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.
- 5.4.5. 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.

5.4.6. The result of this exercise is presented in Table 5-9. It suggests that the 'ideal' dwelling size mix by 2040 might be achieved by increasing the share of smaller 1- dwellings in addition to larger 3+ bedroom dwellings. Additional provision of smaller dwellings by 2040 would help address the future requirements of the NA calculated in Table(s) 5-5 to 5-8, provide wider choice locally and may also help to improve affordability for some households who are unable to afford larger properties e.g. younger households.

Table 5-9: Suggested dwelling size mix to 2040, Wooler

Number of bedrooms	Current mix (2021)	Suggested mix (end of Plan period)	Balance of new housing to reach suggested mix	Indicative policy range
1	8.6%	9.9%	13.0%	20-30%
2	41.6%	30.8%	0.0%	10-20%
3	35.9%	42.0%	58.5%	45-55%
4+	13.8%	17.4%	28.5%	15-25%

Source: AECOM Calculations

5.4.7. 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 2018 Wooler Housing Needs Survey revealed that the largest demand is for 1/2 bedroom bungalows (22 preferences), reflecting the fact that the vast majority of households expressing a need contained one or two people. All responding owner occupiers wanted 1 or 2 bedrooms with only 2 preferences across all households for 3 bedrooms.
- It is also important to consider the results of the 2018 SHMA against the model presented in Table 5-9 above. SHMA analysis concludes there is expected to be a sharp increase in the need for smaller dwellings, with 59.8% of need for housing with 1 or 2 bedrooms; a further 36.6% having 3 bedrooms and only 3.5% having 4 or more bedrooms. The SHMA suggests that there is a particular need to provide level access housing (including flats with lift access) as expressed in a high need for bungalow accommodation, to be discussed further in Section 6.
- The findings of the SHMA and Parish have justified rebalancing the HNA recommendation to be more in line with the objectives of the community. This has been completed in the last column (Indicative policy range), suggesting a lower percentage of 3+ bedrooms and more 1/2 bedroom homes. Another potential approach would be to pursue the maximum indicative policy range (of 30%) for 1 bedrooms or combining the size categories and allow for greater flexibility between them, for example by requiring 50% of new homes to have 1-2 bedrooms rather than specifying percentages for each.
- The preceding chapter found that affordability is a serious and worsening challenge in the NA. 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 Neighbourhood 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 they existing stock of larger homes is sufficiently affordable.

Tenure

- 5.4.8. The recommendation discussed immediately above applies to all housing in the NA over the Neighbourhood 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.
- 5.4.9. Generally speaking, the size mix estimated as needed within affordable tenures, particularly Affordable and Social rent, is smaller than the size mix of market housing. This is because under local authority allocation policies, which reflect the shortage of Affordable Housing overall, households are only eligible for the minimum sized home that meets their needs. This means that single people and couples will generally only be entitled to one bedroom properties. Families with two young children are only likely to be eligible for two bedroom properties (with the expectation that children share rooms until a certain age). 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.
- 5.4.10. There are some key sources of information for thinking through the size needs of different categories. These are:
- The waiting list for affordable rented housing, kept by the Local Authority. This provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In this case LPA waiting list data shows a strong demand for smaller homes (1-2 bedrooms) with 25 applicants each for 1-bed and 2-bed homes, compared to only 9 for 3-bed and 1 for 4-bed. Out of 60 applicants for Under 55s, 50 (83%) are eligible for 1 or 2-bedroom homes. There was also

very limited demand for larger units: only 3 for 2-beds, and 1 for 4-beds in the over 55s;

- The pattern of lettings within the existing stock of Social/Affordable Rented housing. Whilst there may be more households eligible for smaller properties, the availability of larger properties is often severely limited which puts pressure on these larger homes and often results in long waits for those needing larger family sized accommodation.
- Any relevant household survey or consultation work in the NA can also highlight any specific gaps in the market within particular segments of the population, as listed above.

5.4.11. 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 to reflect the eligibility of those on the waiting list, while market homes focus on mid-sized homes and some larger options. That said, there is often acute pressure on larger Social/Affordable Rented homes because their availability through lettings is often limited. 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

- 5.4.12. 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.
- 5.4.13. 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.
- 5.4.14. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Wooler, and which favours more dense options (e.g. terraces and flats). 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.
- 5.4.15. 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 Wooler Neighbourhood Working Group and community to consider.

5.5. Conclusions- Type and Size

- 5.5.1. This chapter provides an indication of the likely need for different types and sizes of homes based on demographic change.

The current housing mix

- 5.5.2. This chapter finds that the Wooler NA is dominated by semi-detached homes (40%) and lacks variety in dwelling types, particularly flats, which make up only 10% of the mix—lower than NCC (11%) and National averages (22%). Bungalows, not captured by the Census but recorded by the VOA, represent 20% of homes—significantly higher than wider benchmarks—supporting an imperative to retain them to meet the needs of Wooler's aging population.
- 5.5.3. Between 2011 and 2021, the housing mix in the NA remained heavily skewed towards semi-detached homes, with a notable decline in flats (down 21.9%). The increase in larger detached homes and limited growth in smaller dwellings may be exacerbating affordability pressures. However, please note that completions data provided by NCC was slightly different to and should be relied upon to a greater degree than Census housing mix data.

Population characteristics

- 5.5.4. As with most areas in the UK, Wooler's population appears to be ageing, and will likely continue to do so over the Neighbourhood Plan period. This chapter finds that Wooler NA has experienced a notable demographic shift towards an older population. Between 2011 and 2021, the 65–84 age group grew by 36.3%, now representing over a third (34.7%) of the total population. In contrast, all younger age groups declined—most significantly the 15–24 age group (down 35.5%)—contributing to a 2.7% overall population decline.
- 5.5.5. The NA has an older age profile than both NCC and national averages, especially in the 65–84 category (35% compared to just 16% in England). Household data also reflects this, with higher rates of older single-person and couple households than surrounding areas—highlighting the importance of planning for age-appropriate housing and support services over the Plan period.

Future population and size needs

- 5.5.6. This chapter makes clear that population growth can be expected to be driven by the oldest households, with the '65 and over' household age bracket expected to grow by 70% by 2040. It may be appropriate for new dwellings in the Parish to contribute toward the creation of more variety in Wooler's dwelling stock, by offering a range of dwelling types and sizes.
- 5.5.7. In summary, it is expected that if current trends persist, and the goal is to accommodate these demographic shifts, then future housing delivery in Wooler should prioritise the provision of dwellings that would be appropriate to accommodate

the area's growing elderly population, a goal which reflects some of the ambitions of the 2018 Wooler Housing Needs Survey.

- 5.5.8. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the 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

6.1. Introduction

- 6.1.1. It is relatively common for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Wooler. 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**.
- 6.1.2. 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.
- 6.1.3. 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
- 6.1.4. 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.
- 6.1.5. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

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

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. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.
- **Category M4(3):** dwellings which are capable of adaptation for wheelchair users, or are already built for use of wheelchair throughout. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.

6.2. Specialist housing for older people

- 6.2.1. There is a total of 11 units of specialist accommodation in the NA at present, all of which are offered as one-or-two-bedroom bungalows/flats in the social rent tenure. Details are provided in Appendix E.
- 6.2.2. The 2021 Census indicates that at this time there were 372 individuals aged 75 or over in Wooler. This suggests that current provision is in the region of 30 units per 1,000 of the 75+ population (a common measure of specialist housing supply). It is

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

relevant to note that the national average for England is 136 units per 1,000 of the 75+ population¹⁴, so provision in the NA is lower than this average.

- 6.2.3. However, VOA data illustrates that 20% of the NA's housing is in the form of bungalows – significantly higher than NCC and National averages (at 15% and 9%, respectively). The Wooler Neighbourhood Working Group may wish to maintain a higher proportion of bungalows in the NA, to better accommodate the 75+ population.

Demographic characteristics

- 6.2.4. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Wooler is likely to change in future. This is calculated by extrapolating population projections from the 2018-based Sub-National Population Projections (released in 2020). The results are set out in Table 6-1. As shown in the table, Wooler's 75+ age demographic is considerably higher when compared to Northumberland – a trend that is projected to become more pronounced into 2040.
- 6.2.5. 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 Neighbourhood Plan period is the key output of this calculation.

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

Age group	2021	2021	2040	2040
	Wooler	Northumberland	Wooler	Northumberland
All ages	1,930	320,568	2,035	338,071
75+	372	35,990	637	61,639
%	19.3%	11.2%	31.3%	18.2%

Source: ONS SNPP 2020, AECOM Calculations

- 6.2.6. 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.
- 6.2.7. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Neighbourhood Plan period to 2040. The top row in Table 6-2 outlines the tenure mix among households aged 55-

¹⁴ Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now MHCLG) and the Care Services Improvement Partnership

75 at Local Authority level, which indicates that the majority (75%) of individuals in this age bracket owned their home in 2011.

- 6.2.8. The expected growth in the 75+ population in the NA is 265 additional individuals by the end of the plan period. This can be converted into 192 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 Wooler households are likely to need in 2040, 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 Wooler (2040)

	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%
Wooler (2040)	144	102	42	48	30	15	3

Source: Census 2011

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

Future needs for specialist accommodation and adaptations

- 6.2.10. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Neighbourhood Plan period is calculated to be 99.
- 6.2.11. AECOM's modelling, summarised in 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.
- 6.2.12. The table below also provides a breakdown of possible types of specialist housing, ranging from sheltered to extra-care for both affordable and market housing, and indicates a slight preference for more market sheltered housing.

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

Type	Affordable	Market	Total
Housing with care	15	30	44
Adaptations, sheltered, or retirement living	15	39	59
Total	30	69	99

Source: Census 2011, AECOM Calculations

6.2.13. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. HLIN calculations

6.2.14. Ta 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 Wooler results in a total of 67 specialist dwellings that might be required to the end of the Neighbourhood Plan period. This is set out in Table 6-4.

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

Type	Affordable	Market	Total
Housing with care	8.22	10.60	19
Adaptations, sheltered, or retirement living	16	32	48
Total	24	42	67

Source: Housing LIN, AECOM calculations

Further considerations

6.2.15. The above estimates suggest that potential need for specialist accommodation could be in the range of 67-99 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 housing 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.

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

6.2.17. 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).

- 6.2.18. It is considered that Wooler is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Wooler in other suitable locations near to but outside the Plan area boundaries).
- 6.2.19. 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.

6.3. Care homes

- 6.3.1. 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. approach is to enable people to live independently in their own homes for as long as possible, such that there is not considered to be any need for further Use Class C2 care homes in the county – see para.7.66-7.70 of the Local Plan.
- 6.3.2. 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.
- 6.3.3. 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.
- 6.3.4. 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. For nursing care beds this is an extra 45 care beds per 1,000 people aged 75+. Based on these rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2040 there would be a need for 17 residential care beds and 12 nursing care beds in the NA, an increase of 29 from present levels.

SHMA Assessment Findings

The 2018 SHMA suggested that around 2,670 additional bed-spaces of C2 residential care home and nursing home provision may be required across Northumberland over the period 2016-2036, i.e. 134 each year. When pro-rated to the NA based on its share of the population (0.6% of the County's population according to Census estimates), this would suggest a need for approximately 1 care home units per annum for Wooler. This is similar to the Aecom estimates we give above.

- 6.3.5. 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.

6.4. The Role of Mainstream Housing

- 6.4.1. 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 97% of the Wooler population aged 75 and over is estimated to be living in the mainstream housing stock¹⁵.
- 6.4.2. 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.
- 6.4.3. However, given that there is unlikely to be a large volume of additional specialist supply during the Neighbourhood 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 County Council.
- 6.4.4. 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 dwellings¹⁶, although changes to Building Regulations have not yet been made.
- 6.4.5. The current adopted Local Plan policy HOU 11 provides explicit encouragement for development to accommodate specific groups such as older people. The policy expectation is that 20% of new market homes and 50% of affordable homes meet enhanced accessibility standards (M4(2) of the Building Regulations). Our evidence supports applying this policy to its maximum extent in the NA. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

¹⁵ 372 over 75s in 2021, of which 11 are accommodated in specialist housing leaving 361 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

¹⁶ See Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK (www.gov.uk)

- 6.4.6. 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.
- 6.4.7. 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 Wooler to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for 1-5 wheelchair accessible dwellings over the Neighbourhood 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 Wooler

	Percentage in England	% applied to NA housing requirement figure (170 to end of plan period)
Households using wheelchair all the time	0.6%	1
Households using wheelchair either indoors or outdoors	3.0%	5

Source: Survey of English Housing 2018/19

6.5. Conclusions- Specialist Housing for Older People

Current stock and demographics

- 6.5.1. This chapter considers that future provision of specialist housing for older people may be needed to serve arising future demand, with population growth in Wooler expected to be driven by the older population age bands (a theme that was also identified in the 'Type and Size' chapter). Specifically, the number of 75+ individuals in the Parish is expected to increase substantially by 2040. Without additional units of specialist housing in Wooler, it is likely that those in need will be forced to move out of the area.
- 6.5.2. There is a total of 11 units of specialist accommodation in the NA at present, however, VOA data illustrates that 20% of the NA's housing is in the form of bungalows, which offer level-access accommodation that may meet the requirements of people with mobility limitations.

Need for Specialist Housing for Older People

- 6.5.3. 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.
- 6.5.4. These two methods of estimating the future need in Wooler produce a range of 67 to 99 specialist accommodation units that might be required during the Neighbourhood

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.

- 6.5.5. The reasons why households indicated that their current home is unsuitable for their needs were varied in the 2018 Wooler Survey. The main reasons for housing need were that existing accommodation is too large (18 respondents) but 11 respondents noted that their existing property requires adaptation to meet disability/health needs.
- 6.5.6. The current adopted Local Plan policy HOU 11 provides explicit encouragement for development to accommodate specific groups such as older people. It stipulates that, 20% of new market homes should meet enhanced accessibility standards (M4(2) of the Building Regulations).

Need for Additional Care Home Units

- 6.5.7. The HNA calculations suggest that 29 additional care home units in Wooler will be required to satisfy arising need over the Neighbourhood Plan period, but again are not obligatory to deliver within the parish itself. This is supported by the (pro-rated) 2018 SHMA findings which suggests the need for 15 additional care home units across the plan period.

Alternative Solutions

- 6.5.8. In addition to seeking specialist supply through Wooler's Neighbourhood Plan housing delivery targets, another avenue open to the Wooler Neighbourhood Working Group is to discuss the standards of accessibility and adaptability in new development to be met in the Neighbourhood Plan with the Local Planning Authority.
- 6.5.9. Although there are 21 units of specialist accommodation in the NA at present, there are several facilities such as extra-care housing and age exclusive housing located in nearby towns such as Berwick-upon-Tweed, (northeast of the NA). The majority of these units are offered as one- or two-bedroom bungalows/flats on social rent tenures, with these being easily accessible via the A1, should the Working Group have a preference to rely on specialist housing provision for its aging population beyond the parish itself. Details of these facilities are provided in Appendix E.

7. Next Steps

7.1. Recommendations for next steps

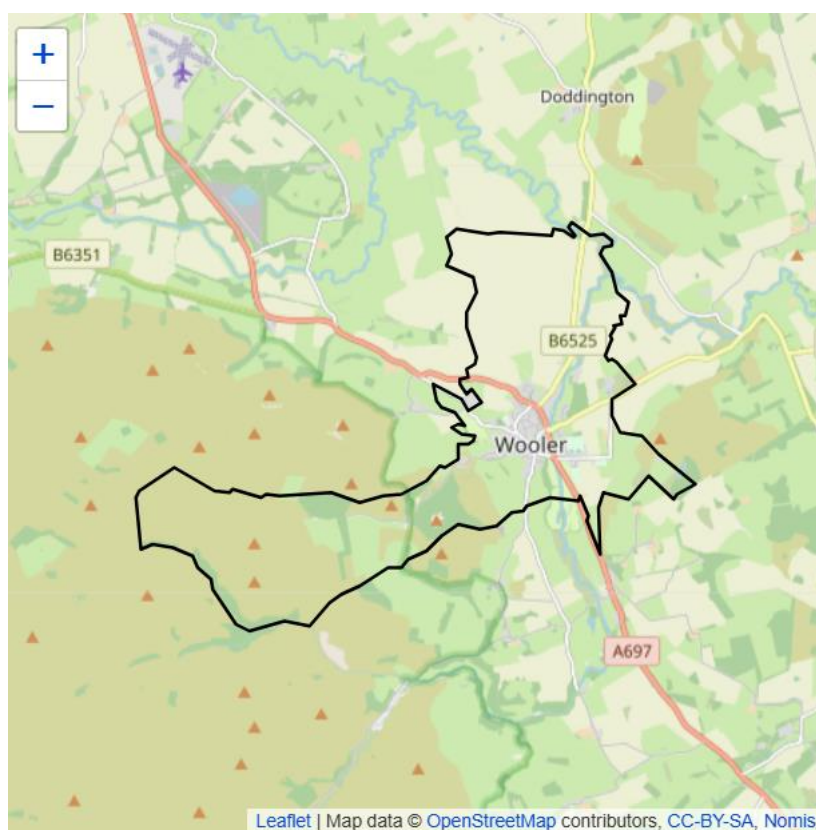
- 7.1.1. This Neighbourhood Plan housing needs assessment aims to provide Wooler Neighbourhood Working Group with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Northumberland County Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
 - The views of Northumberland County Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Northumberland County Council.
- 7.1.2. 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.
- 7.1.3. Bearing this in mind, it is recommended that the Wooler Neighbourhood Working Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Northumberland County Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 7.1.4. 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

- A.1 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).
- A.2 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. It is not possible to exactly map the area for the purposes of Census data. The closest possible LSOA is shown below and will be used throughout the report when referring to the Neighbourhood Area. This functions as a good proxy for the NA but excludes a small area of land to the southeast of the NA around Weetwood moor and some properties around Haugh Head.

- LSOA E01027390.

Figure A-1: Map of LSOA for VOA Data



Source: NOMIS

- A.3 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 E02005708 (this integrates the entirety of the NA but also extends towards the east coast and Northumberland Coast National Landscape).

Figure A-2: Map of MSOA for Income Data



Source: NOMIS

Appendix B : Local Plan context

Policies in the adopted local plan

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

Table B-1: Summary of relevant policies in the adopted Local Plan for Northumberland County Council

Policy	Provisions
Policy STP 1 Spatial strategy (Strategic Policy)	<p>The policy STP 1 outlines a strategic framework for sustainable development in Northumberland, focusing on enhancing communities, supporting economic growth, and conserving environmental assets.</p> <p>Key elements include:</p> <ol style="list-style-type: none"> 1. Focus Areas for Development: Main Towns like Alnwick, Berwick-upon-Tweed, and Blyth will be the central hubs for employment, housing, retail, and services. Service Centres, such as Wooler, will focus on strengthening their role with proportionate development, particularly in housing and services. 2. Rural Support: Service Villages will support proportional housing development to maintain local retail and services. Small Villages can accommodate some development, subject to Green Belt policies. 3. Countryside Development: Development in the open countryside will be supported if it meets certain criteria, including the expansion of businesses, agricultural diversification, tourism, or essential infrastructure. However, this development should be sensitive to its surroundings. <p>For Wooler, as a Service Centre, this policy means that it will accommodate targeted development to enhance its role and support local services, housing, and businesses. Any new development must align with sustainable principles, respecting the town's character and environmental considerations.</p>
Policy TCS 1 Hierarchy of centres (Strategic Policy)	<p>Policy TCS 1 establishes a hierarchy of centres, with Wooler categorized as a Service Centre. Top of the hierarchy lists Main towns - larger centres: like Alnwick, Ashington, Berwick-upon-Tweed for growth. The policy supports growth within Wooler that strengthens its role, particularly in local services and retail. However, significant changes that would replace Main Town Centre uses with other uses will be resisted if they undermine Wooler's position within the regional hierarchy. The goal is to maintain and reinforce Wooler's role in supporting the surrounding area.</p>
Policy HOU 2 Provision of new residential development (Strategic Policy)	<p>Policy HOU 2 supports new residential development, focusing on meeting housing needs and making efficient use of land, with an emphasis on brownfield sites and higher densities in accessible areas. The housing target for Northumberland is at least 17,700 homes by 2036 (885 dwellings per annum).</p>

Policy	Provisions
Policy HOU 3 Housing requirements for neighbourhood areas (Strategic Policy)	Policy HOU 3 sets minimum housing requirements for designated neighbourhood areas to contribute to Northumberland's overall housing targets. For Wooler (in the North Delivery Area), the minimum housing requirement from 2016 to 2036 is 170 homes.
Policy HOU 4 Housing development site allocations (Strategic Policy)	<p>Policy HOU 4 allocates specific sites for residential development to meet Northumberland's housing targets.</p> <p>For Wooler, there are no designated housing site allocations listed under this policy. Therefore, there are no specific development sites for residential housing in Wooler under Policy HOU 4.</p> <p>While the Local Plan doesn't allocate any sites for housing development in Wooler parish, it should be noted that the current 'made' Wooler Neighbourhood Plan does allocate a few sites for housing development (albeit the former Ferguson's Yard site has since been redeveloped as a distillery instead, while the northern part of the former First School site has now been permitted for a cemetery).</p>
Policy HOU 5 Housing types and mix	<p>Policy HOU 5 promotes a diverse range of housing types and sizes, with a focus on good quality, energy-efficient homes, including affordable housing. The policy supports community-led housing, such as self-build and custom-build homes, to meet local housing needs. Proposals will be assessed based on how well they align with the latest housing needs assessments for Northumberland.</p> <p>This policy does not specifically mention Wooler but encourages developments that address local housing needs.</p>
Policy HOU 6	Policy HOU 6 requires major housing developments in Northumberland to provide affordable housing, based on the area's housing viability value. In Wooler, classified as a "medium value" area, 15% of homes in developments of 30 units must be affordable, with a 33% rental and 67% homeownership split. Off-site provision is prioritized within Wooler or nearby areas if on-site development isn't feasible. The policy aims to ensure balanced communities by addressing local affordable housing needs. The policy's tenure split is just a negotiable guideline based on the previous NPPF's requirement for at least 10% of dwellings on any site to be for affordable home ownership products, but that requirement has been removed from the new NPPF with a greater emphasis placed on affordable/social rented housing such that there is now scope for greater flexibility in the tenure mix to best meet local needs.
Policy HOU 7 Exception sites	Policy HOU 7 supports the development of Entry-level and Rural Exception Sites for affordable housing in areas like Wooler if there's a proven local need and the proposal aligns with the local spatial strategy. These sites must be well-connected to services, not exceed 1 hectare in size, and avoid sensitive environmental areas. The policy encourages self-build and community-led projects and allows small amounts of market housing if it helps deliver affordable homes. No direct mention of Wooler in this policy, but the principles can apply if local needs justify it.

Policy	Provisions
Policy HOU 11 Homes for older and vulnerable people (Strategic Policy)	Policy HOU 11 focuses on providing housing for older and vulnerable people by supporting adaptable homes, integrated sheltered accommodation, and residential care options. It includes provisions for "lifetime neighbourhoods" and "retirement villages" with active ageing principles. The policy mandates that 20% of new market homes and 50% of affordable homes meet enhanced accessibility standards (M4(2) of the Building Regulations), with exceptions for smaller developments or challenging sites. Housing for homeless individuals and refugees will also be supported if needed.

Source: NCC

The larger 'gateway' settlements, including Bellingham, Haltwhistle, Rothbury and Wooler are located outside of the National Park boundary meaning that only a fraction of their parish populations are resident within the Park.

Table B-2: Summary of relevant policies in the adopted Local Plan for Northumberland County Council

Policy	Provisions
Policy ST1: Sustainable Development	The policy outlines principles for Northumberland National Park Authority to adopt a presumption in favour of sustainable development.
Policy ST3: Major Development	This policy sets a high bar for allowing major housing development within the National Park. It states that such proposals will only be permitted in <i>exceptional circumstances</i> and where they are clearly in the <i>public interest</i> . Applicants must demonstrate national need, economic benefits, and that there are no viable alternative locations outside the Park. Developments must be sensitively designed to respect the landscape and heritage, with all impacts minimised or mitigated. Once the development ceases, the land must be suitably restored or enhanced where appropriate.
Policy ST5: New Housing	<p>This policy guides where and how new housing can take place in Northumberland National Park. Developments of more than five dwellings must provide a mix of sizes, types, and tenures to help create sustainable and inclusive communities, meeting local needs as identified in the latest housing evidence.</p> <p>New housing is allowed:</p> <ul style="list-style-type: none"> • Within Named Settlements as conversions or small infill schemes for <i>principal residence</i> or <i>affordable housing</i>. • In the Open Countryside only in specific cases—such as housing essential for rural land-based workers, conversions of redundant buildings, enabling development to save heritage assets, exceptional design, or replacement of an existing home (subject to certain conditions). <p>The policy also supports self-build and custom-build housing where it meets local housing needs, either as affordable or principal residence housing. All affordable housing must align with Policy DM3.</p>

Policy	Provisions
Policy DM3: Affordable Housing	<p>This policy supports the delivery of affordable housing to meet local needs, especially for people with a local connection to Northumberland National Park.</p> <p>Key points:</p> <ul style="list-style-type: none">• 100% affordable housing can be permitted on <i>exception sites</i> next to Named Settlements, provided it contributes to the settlement's sustainability.• Proposals must be backed by a recent local housing needs assessment, ensure affordability for locals, be appropriately designed, minimise landscape impact, and remain affordable in perpetuity.• Within Named Settlements:<ul style="list-style-type: none">○ On sites for 6+ homes, 50% must be affordable (unless exceptional viability issues are demonstrated).○ On 6–10 dwelling sites, a commuted sum may be accepted instead of on-site affordable housing if on-site delivery is not viable.• All affordable homes must go to people in affordable housing need who also have a <i>local connection</i>.

Source: NNPA

Appendix C : Affordability calculations

- C.1 This section outlines how the affordability thresholds discussed in the Affordability and Affordable Housing have been calculated.

Market housing

- C.2 Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.

Market sales

- C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
- C.4 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 Wooler, 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.
- C.5 The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2024) = £227,000
 - Purchase deposit at 10% of value = £22,700
 - Value of dwelling for mortgage purposes = £204,300
 - Divided by loan to income ratio of 3.5 = purchase threshold of £58,371
- C.6 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 2024 was £158,500, and the purchase threshold is therefore £40,757.
- C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 3 sales of new build properties in the NA in 2024, all located within the Kingsmead development with a price range of £214,950 to £336,950. Although

the sample is small, it suggests a general range for new build prices in the area. Detached properties are commanding notably higher values, while smaller or semi-detached units fall at the lower end. This reflects a modest level of variation in unit type and scale within the development.

- C.8 However, there were too few recent sales in the NA specifically to determine an accurate average for the cost of new build housing in Wooler. 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).
- C.9 Therefore an estimate has been calculated by determining the uplift between all house prices in 2024 across Northumberland and new build house prices in 2024 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2024 lower quartile house price in the NA to give an estimated NA new build (entry-level) house price of £213,659 and purchase threshold of £54,941. This also aligns with one of the examples in the sample of actual sales, which justifies using this benchmark.
- C.10 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 2024. The median cost of new build dwellings in Northumberland was £254,774, with a purchase threshold of £65,513.

Private Rented Sector (PRS)

- C.11 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.
- C.12 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.
- C.13 The property website Rightmove shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within a postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

- C.14 According to Rightmove , there were 12 properties for rent at the time of search in April 2025, with an average monthly rent of £1,690. There were 7 two-bed properties listed, with an average price of £1,400 per calendar month.
- C.15 The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £1,400 x 12 = £16,800;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £56,000.
- C.16 The calculation is repeated for the overall average to give an income threshold of £67,600.

Affordable Housing

- C.17 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2024: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The First Homes product was introduced in 2021 but is not included in the NPPF Annex 2 definitions. Each of the affordable housing tenures are considered below.

Social rent

- C.18 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.
- C.19 To determine social rent levels, 2021 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 Wooler. This data provides information about rents and the size and type of stock owned and managed by private registered providers and local authorities and is presented for Northumberland in Table C-1.
- C.20 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	£63.49	£72.67	£79.23	£87.76	£73.27
Annual average	£3,301	£3,779	£4,120	£4,564	£3,810
Income needed	£11,005	£12,596	£13,733	£15,212	£12,700

Source: Homes England, AECOM Calculations

Affordable rent

- C.21 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 capped).
- C.22 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%.
- C.23 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.
- C.24 Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 30% 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	£82.40	£98.49	£107.02	£115.61	£99.36
Annual average	£4,285	£5,121	£5,565	£6,012	£5,167
Income needed	£14,283	£17,072	£18,550	£20,039	£17,222

Source: *Homes England, AECOM Calculations*

Affordable home ownership

- C.25 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 First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

Discounted Market Sale/ First Homes

- C.26 Discounted market sale homes are affordable home ownership products which offer a discount of at least 20% on market values.
- C.27 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.
- C.28 The starting point for considering whether Discounted Market Sale/First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £213,659.
- C.29 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) = £213,659;
 - Discounted by 30% = £149,561;
 - Purchase deposit at 10% of value = £14,956;
 - Value of dwelling for mortgage purposes = £134,605;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £38,459.
- C.30 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home. This would require an income threshold of £43,953, £32,965 and £27,470 respectively.
- C.31 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
- C.32 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. m¹⁷) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Wooler.
- C.33 Table C-3 shows the discount required for market homes to be affordable to the three income groups. The cost of a typical discounted market sale property/First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about these properties 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

¹⁷ 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/>

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	37%	67%	34%
NA estimated new build entry-level house price	34%	65%	30%
NA entry-level house price	10%	53%	6%
LA median new build house price	44%	71%	42%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

- C.34 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'.
- C.35 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
- C.36 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).
- C.37 The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £213,659 is £53,415;
 - A 10% deposit of £5,341 is deducted, leaving a mortgage value of £48,073;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £13,735;

- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £160,244;
- The estimated annual rent at 2.5% of the unsold value is £4,006;
- This requires an income of ££13,353.70 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £27,089 (£13,735 plus £13,353.70).

C.38 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £21,519 and £36,373 respectively. The income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

C.39 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.

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

- D.1 In Table D-1 AECOM has calculated, using PPG as a starting point,¹⁸ an estimate of the total need for affordable rented housing in Wooler over the Neighbourhood 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.
- D.2 It should also be noted that figures in Table D-1 are largely dependent on information provided by Northumberland County Council in its capacity as manager of the local housing waiting list.

¹⁸ 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 Wooler

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	99	Neighbourhood level data if provided by LA (assumed as Local connection to Wooler).
1.2 Per annum	6.6	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	73.1	MHCLG 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	38.2%	(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	241.0	2021 Census social rented households
2.2.2 Number of private renters on housing benefits	57.3	Housing benefit caseload. Pro rata for NA.
2.3 New households unable to rent	27.9	Step 2.1 x Step 2.2.
2.4 Per annum	1.9	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)	7.2	Step 3.1 x NA social rented stock (2.2.1).
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall shortfall per annum	1.2	Step 1.2 + Step 2.4 - Step 3.2

Source: AECOM model, using Census 2021, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

- D.3 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Wooler. 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.
- D.4 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.¹⁹ 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 Wooler

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	148.0	Census 2021 private rented households.
1.2 Percentage renters on housing benefit in LA	38.7%	% of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in the NA	57.3	Step 1.1 x Step 1.2.
1.4 Current need (households)	68.0	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ²⁰
1.5 Per annum	4.5	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	73.1	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	6.8%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	5.0	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	0.3	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	3.0	Number of shared ownership homes in the NA (Census 2021).
3.2 Supply - intermediate resales	0.2	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL (OR SURPLUS) PER ANNUM		

¹⁹ <http://www.ipsos-mori-generations.com/housing.html>

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 e.g. <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.

Overall shortfall per annum	4.7	(Step 1.5 + Step 2.4) - Step 3.2.
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Source: AECOM model, using Census 2021, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock.

- D.5 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).
- D.6 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

- D.7 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 1.2 units of social/affordable rented housing and 4.7 units of affordable home ownership homes per annum over the Neighbourhood Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes. This suggests a more acute need for affordable home ownership in the NA.</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 15% were achieved on every site, assuming the delivery of the NA's housing requirement for 170 homes overall, up to 26 affordable homes might be expected in the NA over Neighbourhood Plan period.</p> <p>This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. In which case, the more</p>

	acute need for rented tenures should be prioritised.
<p>C. Government policy (e.g. NPPF) requirements:</p> <p>There is no required tenure mix set out in national policy (NPPF 2024) but local authorities are required to set out the minimum proportion of Social Rented housing needed in their areas as part of their Affordable Housing requirements.</p>	Implicit prioritisation of Social Rented homes within Affordable Housing policy at the nation level but local authorities have flexibility to set out the proportion needed in their areas. Local Plan tenure mix provides the starting point.
D. Local Plan policy:	The adopted Local Plan seeks a tenure split of 33% affordable rent and 67% affordable home ownership.
E. Viability:	HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on affordable home ownership properties.
<p>F. 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>	The Wooler Neighbourhood Working Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
<p>G. Existing tenure mix in Wooler:</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>Shared ownership tenures account for a small proportion of Wooler's tenure mix (0.3%). This is noticeably lower than England's proportion, at 1% shared ownership. However, the NA has a reasonably high proportion of social rented tenures when compared to the two wider geographies, at just under a quarter of the total stock.</p> <p>The NA' high socially rented stock seems to have become more prominent since 2011, exhibiting a 3% increase. From LPA completions data, there appears to be</p>

	multiple affordable housing schemes, particularly: Horsdonside (2016–17) for 14 new AH rent units; various infill and change of use schemes (e.g., Glendale Gateway Trust flats in 2014–15) which have all contributed to a modest but consistent growth in the social rented stock.
H. Views of registered providers:	It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage social/affordable rented homes in the NA. The funding arrangements available to housing associations will also influence rent levels.
I. Wider policy objectives:	The Wooler Neighbourhood Working Group may wish to take account of broader policy objectives for Wooler and/or the wider NCC. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Wooler

Name		Description	Dwellings	Tenure	Type
1	Curlew Court	Age exclusive housing on Ramsey Lane.	13	Rent (social landlord)	1-bedroom, 2-bedroom flats.
2	Hordonside	Retirement housing on Golden Square.	8	Rent (social landlord)	2- bedroom bungalows

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

Table E-2: Tenure and mobility limitations of those aged 65+ in Wooler, 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	141	24.0%	169	28.8%	277	141
<i>Owned Total</i>	81	20.7%	106	27.1%	204	81
Owned outright	68	19.8%	97	28.3%	178	68
Owned (mortgage) or shared ownership	13	27.1%	9	18.8%	26	13
<i>Rented Total</i>	60	30.6%	63	32.1%	73	60
Social rented	46	31.3%	49	33.3%	52	46
Private rented or living rent free	14	28.6%	14	28.6%	21	14

Source: DC3408EW Health status

HLIN calculations

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

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

Source: *Housing LIN SHOP Toolkit*

E.1 As Table 6-1 in the main report shows, Wooler is forecast to see an increase of 265 individuals aged 75+ by the end of the Neighbourhood Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.265 = 16$
- Leasehold sheltered housing = $120 \times 0.265 = 32$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.265 = 5.30$
- Extra care housing for rent = $15 \times 0.265 = 3.98$
- Extra care housing for sale = $30 \times 0.265 = 7.95$
- Housing based provision for dementia = $6 \times 0.265 = 1.59$

Appendix F : Housing Needs Assessment

Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

Affordable housing: 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) Social Rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent; (b) the landlord is 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.

b) Other affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for 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).

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

d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

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

Authorities' 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

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>

number of rooms not including bathrooms and hallways). This tends to produce higher levels of overcrowding/ under occupation. A detailed definition of the standard is given in the Glossary of the EHS Household Report.

Co-living

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

Community-led developments (NPPF definition)

A development taken forward by, or with, a not-for-profit organisation, that is primarily for the purpose of meeting the needs of its members or the wider local community, rather than being a primarily commercial enterprise. The organisation should be created, managed and democratically controlled by its members, and membership of the organisation should be open to all beneficiaries and prospective beneficiaries of that organisation. It may take any one of various legal forms including a co-operative society, community benefit society and company limited by guarantee. The organisation should own, manage or steward the development in a manner consistent with its purpose, potentially through a mutually supported arrangement with a Registered Provider of Social Housing. The benefits of the development to the community should be clearly defined and consideration given to how those benefits can be protected over time, including in the event of the organisation being wound up.

Community Right to Build Order

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. The NPPF 2024 specifically defines it as follows: An Order made by the local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a sitespecific development proposal or classes of development.

Concealed Families (Census definition)²³

The 2021 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.

²³ See

http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp/171776_350282.pdf

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.

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. 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 Need (NPPG 2024 definition)

Housing need is an unconstrained assessment of the minimum number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations.

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 Requirement (NPPF 2024 Definition)

The housing requirement is the minimum number of homes that a plan seeks to provide during the plan period. Once local housing need has been assessed, as set out in this guidance, authorities should then make an assessment of the amount of new homes that can be provided in their area. This should be justified by evidence on land availability, constraints on development and any other relevant matters.

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

This means the period between the last two Censuses, i.e. between years 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 Neighbourhood 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/>. Lifetime Homes standards have been broadly wrapped up into the M4(2) optional building regulations standards which relate to accessibility and adaptability of dwellings.

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local 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 planning policies form part of the Local Plan and are known as 'Development Plan Documents' (DPDs).

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁴, 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

²⁴ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

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. This could mean people whose rent is paid by their employer, including some people in the armed forces. Some housing association tenants may also have been counted as living in the private rented sector because of confusion about what a housing association is.

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

Housing for older people comprising of individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing²⁵

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 range in size from studio flats (or 'bedsits') through to 2 and 3 bedroomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents

²⁵ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) is a document prepared by one or more local planning authorities to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the Neighbourhood 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 (former NPPF 2012 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. SHMAs generally identify the scale and mix of housing and the range of tenures the local population likely to be needed over the Neighbourhood 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.²⁶

²⁶ See

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

