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Hoxne Housing Needs Assessment (HNA)

November 2020

Quality information

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Revision History

Revision	Revision date	Details	Authorized	Name	Position
1	21/07/2020	First Draft	AB	Amani Bhobe	Graduate Social Consultant
2	28/07/2020	Internal Review	PA	Paul Avery	Senior Consultant
3	20/10/2020	Group Review	SF	Sarah Foote	Town Clerk
4	22/10/2020	First Homes Updates	AB	Amani Bhobe	Graduate Social Consultant
5	05/11/2020	Locality Review and Final Report	JW	John Wilkinson	Neighbourhood Planning Officer
6	20/11/2020	Edits agreed with Group and Locality	KP	Kerry Parr	Associate Director

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
HNA	Housing Needs Assessment
HNF	Housing Need Figure
Housing LIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
LQAR	Lower Quartile Affordability Ratio
LTHPD	Long-Term Health Problem or Disability
MAR	Median Affordability Ratio
MH	Market Housing
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood (Plan) Area
NDO	Neighbourhood Development Order
NDP	Neighbourhood Development Plan
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1. Hoxne is a Neighbourhood Plan area located in Mid Suffolk, in the East of England. The Neighbourhood Area (NA) boundary comprises the parish of Hoxne, aligning with the existing Parish boundary. The NA was designated on 27th August 2019.
2. In the chapters that follow, we have explored three main research questions dealing with the topics of tenure and affordability, type and size of housing and specialist housing for older people. Summaries of our findings from each chapter are presented below.

1.1 Tenure and Affordability

3. In terms of the current tenure profile of the neighbourhood, 64.6% of all households in Hoxne own their homes outright, which is lower than Mid Suffolk but slightly higher than England. Next, 18.8% of households in Hoxne are in socially rented homes, which is much higher than in Mid Suffolk, but only slightly higher than in England. In terms of private rent, 13.8% of households in Hoxne rent on the market, as compared to 11.2% in Mid Suffolk and 17.7% in England.
4. House prices increased by 166.4% between 2010-2019. There was a significant change in the prices of detached homes, which increased by 76.6%. Note that while 166.4% is a significant level of price growth, it should be viewed with caution. In 2010, the average house price was 181k (an average of various sales including detached, semi-detached and terraced homes). In 2019, while the average house price was 482k, there were no sales of house types other than detached homes in that year. The average for the year is thus the average for detached homes only. Given the sample size is small, the average price growth is not representative.
5. By benchmarking the incomes required to afford the different tenures in the neighbourhood area, we determined the following:
 - Affordability is a challenge in Hoxne, with entry level house prices unaffordable to households on average incomes. Our analysis found that households with incomes between £27,560 and £80,679 are able to rent in the market but cannot buy, thereby suggesting the possibility of introducing affordable routes to home ownership.
 - Based on the options available, Rent to Buy is the most accessible option for those in this category because unrealistically large discounts are generally required to bring discounted market housing within reach of median earning households. Rent to Buy is likely to be affordable to households able to afford average market rents and therefore may offer an affordable route to home ownership for households able to afford these rents. While entry-level rents are affordable to households on both mean incomes and LQ incomes, average market rents are only accessible to those on mean incomes.
 - Next, our analysis found that the income required to buy an average market home for sale is higher than what would be expected to be available to those on median household incomes. The income required to buy an average entry-level home for sale is similarly higher than the average income of those on lower quartile household incomes.
 - Finally, our analysis found that those on lower quartile earnings can afford entry-level market rents, affordable rent and social rent, however only where there are two members earning or with additional subsidy. Households on LQ incomes cannot access any of the affordable home ownership options.
6. 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, and implemented by the LPA. The 2019 SHMA estimates need for 10.5 units of affordable rented housing and 8 units of affordable housing for sale in Hoxne over the Plan period when Mid Suffolk's figures are pro rated to the neighbourhood level. However, AECOM suggest these estimates may understate need because they do not take account of the backlog of households in need that have built up in the past, for example, households on the Council's housing register within Hoxne. The group may wish to keep in mind that the need for affordable housing may be higher than the SHMA estimates suggest when it formulates its neighbourhood plan policies.
7. Hoxne does not have a sufficiently large housing requirement or delivery expectation to meet this identified need. 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 community development orders, identifying exception sites or developing community land trusts are all tried and tested ways of boosting the supply of affordable housing above the minima indicated by Local Plan policy.

8. Two indicative tenure mixes have been provided, which could serve as a guideline for the breakdown of Affordable Housing tenures in Hoxne based on various considerations and evidence. Mix 1 (indicative mix based on local needs) proposes that 71% of affordable homes be provided as rented tenures, and the remaining 29% delivered as affordable routes to home ownership. This mix aligns with the Local Plan in prioritising the most acute needs as far as possible. This recommendation is influenced by the fact that there is little housing development expected in Hoxne during the period. If this situation changes, and the need for 11 units of affordable rented housing can be satisfied, it may be beneficial to rebalance the tenure mix toward affordable routes to home ownership.
9. Mix 2 (indicative mix with 25% First Homes requirement) proposes the same headline split of 71% affordable rented tenures and 29% affordable routes to home ownership, of which 25% is delivered as First Homes. This aligns with the direction of proposed national policy, which includes a mandated minimum level of delivery of the Government's new First Homes affordable home ownership product. The sub-tenures within affordable home ownership are simply rebalanced to align with that national policy requirement – should it go ahead as planned.

1.2 Type and Size

10. This analysis provides an indication of the likely need for different types and sizes of homes based on demographic change. 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 characteristics of the existing stock of housing, the role of the NA or site within the wider housing market area (linked to any LA strategies or plans) and site specific factors which may justify a particular dwelling mix.
11. In terms of dwelling type, the 2011 Census shows that there were 384 households in Hoxne, living in 199 detached houses, 120 semi-detached, 60 terraced houses, and 28 flats.
12. In terms of dwelling size, the housing stock in Hoxne is characterised by a relatively large percentage of medium-large homes. 16.1% of all homes in Hoxne have nine or more rooms. The bulk of Hoxne's housing stock is comprised of homes with 4 or more rooms—that is, roughly 88.5%.
13. Between 2001-2011, there were several changes to the housing stock in neighbourhood. First, there was an increase in the numbers of both three-room homes, seven room homes and homes with eight or more rooms. Second, there was a 14% decline in the percentage of five room homes. Next, there was a 8.2% decline in the percentage of six room homes. However, there continued to be no one-room homes in the neighbourhood area.
14. As compared to Mid Suffolk, Hoxne experienced similar changes overall, that is, growth in the numbers of large homes, with seven or more rooms. In Mid Suffolk, the percentage of homes with seven or more homes increased by 59% between 2001 and 2011, while in Hoxne, the percentage of homes with seven or more rooms increased by 54%.
15. In terms of demographic change, the 2011 Census data reveals that 30% of Hoxne's population is between the ages of 45-64. As the time of the 2011 Census, this was the largest age group in Hoxne. Next, roughly 27% of Hoxne's population was aged 65 and above in 2011. This formed 57% of Hoxne's age structure in 2011, indicating that the NA has a rapidly aging population, given that several members from these groups have now entered the age bands 65-84 and 85 and over.
16. Compared to its wider geographies, Hoxne experienced a relatively similar rate of change as Mid Suffolk, in terms of the share of individuals between the ages of 45-84 increasing over the period. The growth seen in both the NA and LPA in this band is higher than the rate of change in England as a whole. However, while Hoxne experienced a decline in the population of those aged 85 and over, Mid Suffolk and England both experienced an overall increase in population in this age band.
17. In assessing Census data on household composition, the analysis suggests that Hoxne shares a similar profile to Mid Suffolk, since both areas have a similar percentage of one person households and one family households. 28% of Hoxne's household profile comprises one person households, of which 16% are households with individuals aged 65 and over. Next, roughly 69% of all households comprise of one family. Of the 69%, 24% of the households have no children, 24% have dependent children and approximately 8% have nondependent children.
18. The result of a life-stage modelling exercise suggests that, in terms of demographic change, new development might involve the following share of dwelling sizes: 0% as 1 bedroom, 41.7% as two bedrooms, 38% as three bedrooms, 20.3% as four bedrooms and 0% as 5 or more bedrooms. Essentially, there should be a slightly smaller percentage of one-bedroom homes and homes with five or more rooms in Hoxne, and there should be an increase in the provision of two-bedroom homes. The share of three- and four-bedroom homes should increase only slightly, bearing in mind increasing population that will require this size of accommodation.

19. It is also relevant to note that as per Mid Suffolk's Housing Register, applicants primarily requested one-two bedroom homes between 2014-2020. While our calculations do not recommend more one-bedroom homes, it is important that neighbourhood planners note the consistent demand for one-bedroom homes and consider it a part of the suggested mix. AECOMs overall recommendation is to increase the supply of smaller homes in the NA (one-two bedroom dwellings), while limiting the supply of large homes with five or more bedrooms.

1.3 Specialist Housing for older people

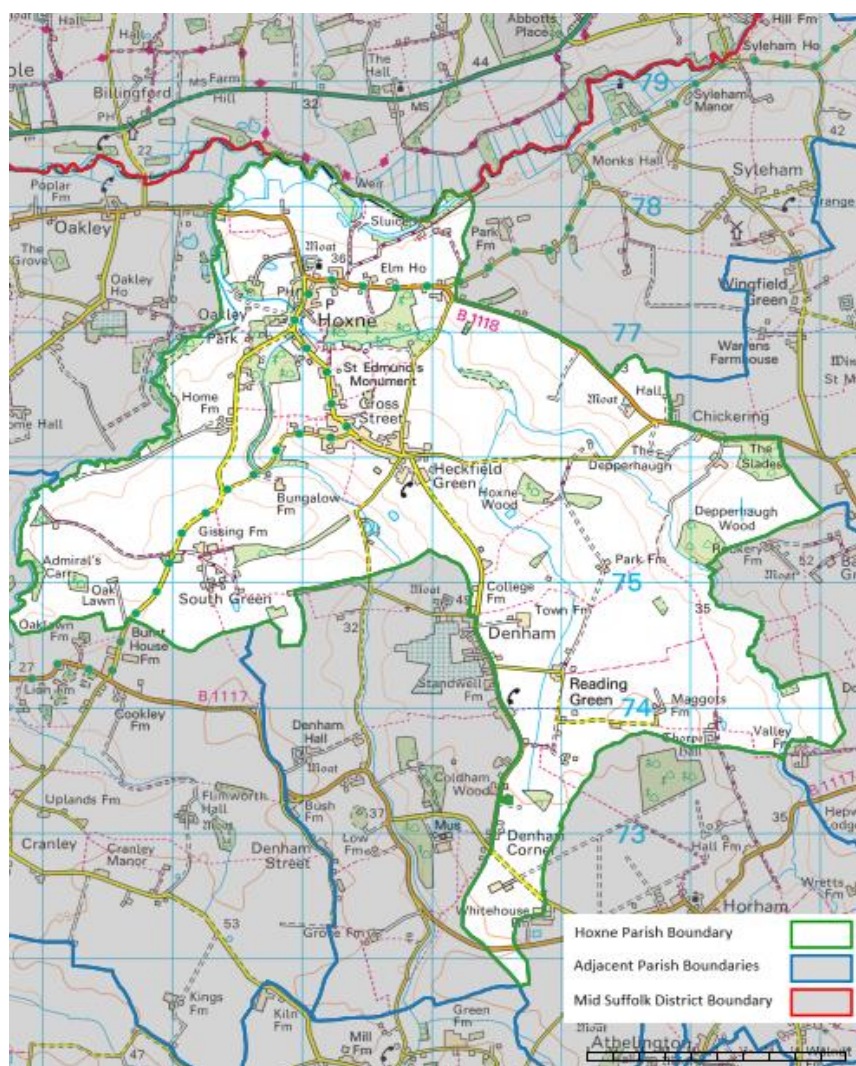
20. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Hoxne, it identified 27 residents living in care homes with nursing and 0 in care homes without nursing
21. As per the 2011 Census, roughly 89.4% of all households between the ages of 55-75 own their homes. Of this percentage, 65.5% own their homes outright and approximately 23.9% own their homes with a mortgage, loan or as shared ownership. The table also shows that 10% of the households in this group rent their homes, of which almost 9.7% lived in social rented homes. Almost 0.8% of households rent on the market and 0.1% live rent free. From the table, it is evident that most households falling in the age band own their homes outright, while living rent free is the least common.
22. By extrapolating from the ONS Sub-National Population Projections for Mid Suffolk at the end of the Plan period, we determined the percentage of older people within the population of Hoxne in 2036. This calculation indicates that the percentage share of people over the age of 75 in Hoxne is likely to rise from 12.5% to 24% by the end of the plan period. This projected increase is likely to be higher than the predicted increase for Mid Suffolk, where the population of those aged 75 and over is anticipated to rise from 9.1% to 17.5% by the end of the plan period. Our calculations indicate Hoxne's population of those aged 75 and over will increase by 133.
23. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives. 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. Focusing on those whose activities are limited a lot, the calculations suggest that of the 10 renters and 85 owners in Hoxne in this age group, there could be a need for 3 specialist homes for owner occupiers and 13 for renters of all kinds or 16 new specialist homes for those in this group.
24. There are two projections for the number of specialist dwellings that should be provided in Hoxne—while our research estimated the number of households falling into potential need of specialist accommodation to be 38, the HLIN tool provides a value of 33. Thus, our recommendation would be to treat the outcome of these approaches as a range, with at least 33 specialist dwellings being required to service the needs of older people over the Plan period, and the projection of 38 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.
25. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
26. 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 elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
27. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

2. Context

2.1 Local context

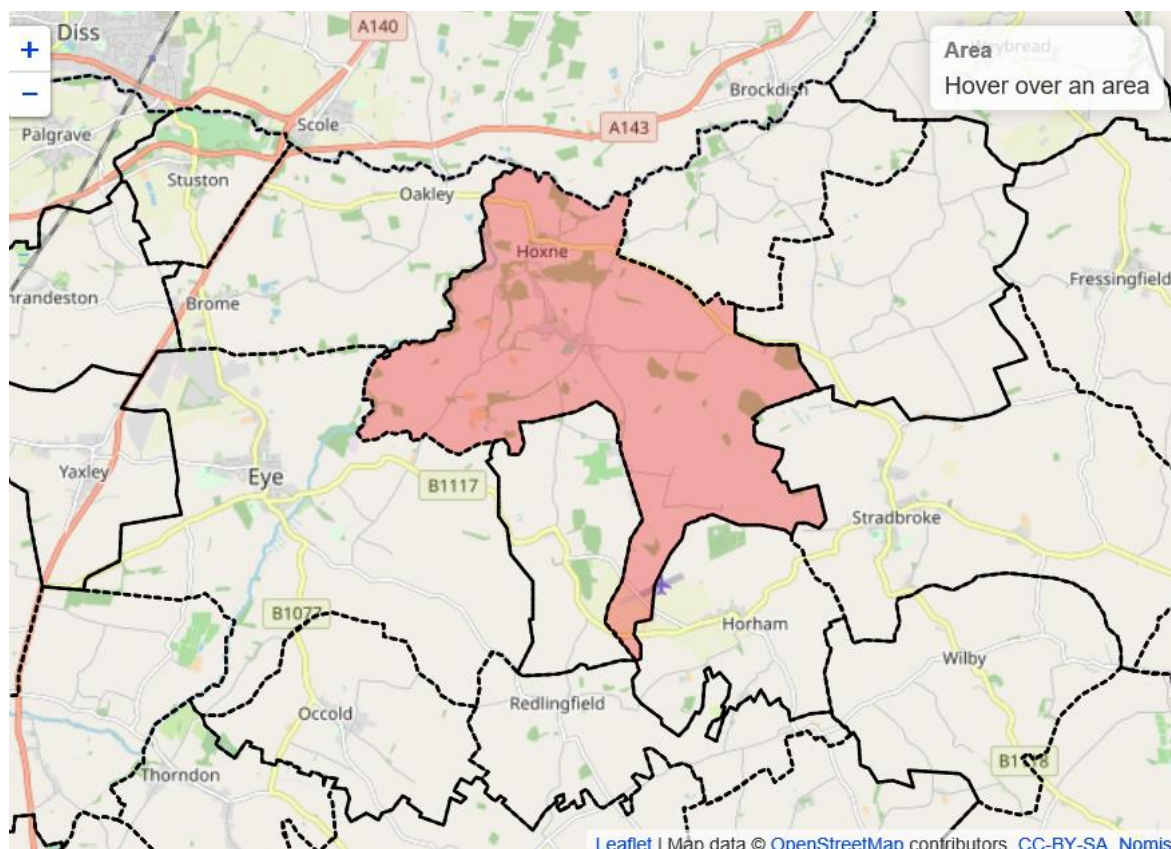
29. Hoxne is a Neighbourhood Plan area located in Mid Suffolk, in the East of England. The Neighbourhood Area (NA) boundary comprises the parish of Hoxne and aligns with the existing Parish boundary. The NA was designated on 27th August, 2019.
30. The proposed Neighbourhood Plan period broadly follows the plan period of the emerging Babergh and Mid Suffolk Joint Local Plan (JLP) (2018-2036) but starts in 2020 and extends to 2036, comprising a planning period of 16 years.
31. In terms of the spatial context of the NA, major transport routes in Hoxne include the A14, A140, B118, and Eye Road. Hoxne is also located close to the River Dove and the River Waveney. There are several conservation areas and heritage sites in the NA, including three scheduled monuments, several listed buildings and the Hoxne Brick Pit SSSI. Additional possible constraints include a small area of Flood Zone 3 within the plan area boundary.
32. The statistics show that in the 2011 Census the Neighbourhood Plan area had a total of 889 residents.
33. A map of the NA appears below in Figure 2-1, with the equivalent area selected for Census data collection provided in Figure 2-2.

Figure 2-1: Map of the Hoxne Neighbourhood Plan area¹



¹ Available at <https://www.midsuffolk.gov.uk/assets/Neighbourhood-Planning/Hoxne-NP-Area-Map.pdf>

Figure 2-2: Map of Hoxne NA for Census data gathering purposes



Source: Census 2011

34. The neighbourhood planners are interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

2.2 Planning policy context

36. In line with the Basic Conditions² of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies.³ Consequently, the relevant elements of the Local Plan are reviewed as part of this Housing Needs Assessment (HNA).
37. In the case of Hoxne, the relevant local planning context is as follows:
38. Mid Suffolk's adopted Local Plan, titled the 'Mid Suffolk Core Strategy',⁴ was adopted in September 2008. This was updated in the form of the Mid Suffolk Focused Review, adopted in December 2012. Among the most important changes to the 2008 Core strategy were updates to the Strategic Objectives SO3 (sustainable development and climate change) and SO6 (provisions for housing, employment, retail, infrastructure and access to services). Since the update is meant to be read in conjunction with the 2008 strategy and not in place of it, we have reviewed both the 2008 Core strategy and the 2012 Update.
39. It is also worth noting that policies on affordable housing are considered 'saved policies' and are found in the Local Plan's first iteration (2006). These are also reviewed below.
40. Mid Suffolk is currently in the process of producing a new Local Plan together with Babergh District Council. The emerging Babergh and Mid Suffolk Joint Local Plan (JLP) is presently under review following a Preferred Options Consultation (Reg 18) in Summer 2019. The latest available draft is reviewed in Table 2-3 below.

2.2.1 Policies in the adopted local plan⁵

Table 2-2: Summary of Mid Suffolk adopted policies having relevance to Hoxne Neighbourhood Plan Housing Needs Assessment

Policy	Source	Provisions
Policy CS7: Brownfield Targets	Mid Suffolk Core Strategy (2008)	The policy provides a target of 50% of dwellings being built on brown field land in Mid Suffolk.
Policy CS9: Density and Mix	Mid Suffolk Core Strategy (2008)	This policy states that new housing developments should include a mix of types, sizes and affordability to address various accommodation needs. It also provides a 'flexible approach to density' which rather than follow a 'standardised suburban form of development' considers the unique character of Mid Suffolk: housing sites may thus range from high density flats close to shops, employment, services and public transport, to more traditional forms of development such as small village infill or affordable housing schemes.
Policy CS10: Gypsies and Travellers	Mid Suffolk Core Strategy (2008)	This policy provides for the delivery of sufficient good quality, and appropriately located residential pitches to satisfy the needs stated in the Suffolk Cross-Boundary Gypsy and Traveller Accommodation Assessment.
Policy H4	Mid Suffolk Local Plan First Alteration (2006) ⁶	This policy states that residential development on sites of 5 dwellings or more should provide up to 35% affordable housing.

² Available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

³ However, this does not affect the potential for the evidence base underpinning the emerging local plan to inform or form part of the evidence base for the neighbourhood plan.

⁴ Available at <https://www.midsuffolk.gov.uk/planning/planning-policy/adopted-documents/mid-suffolk-district-council/core-strategy/>

⁵ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

⁶ Available at <https://www.babergh.gov.uk/assets/CIL-and-S106-Documents/Pre-Adoption-Documents-Mid-Suffolk/Examination-Correspondence/MSDCPPG13Aug15.pdf> and in the Core Strategy 2008.

Policy	Source	Provisions
Policy FC2: Provision and Distribution of Housing	Mid Suffolk Core Strategy Update (2012)	This policy replaces policy CS8 (Provision and Distribution of Housing) in the Core Strategy (2008). It ensures that provisions are made ensuring green field sites for at least 2,625 homes and associated infrastructure in Mid Suffolk are allocated for developments over a 15-year period beginning 1st April 2012.

2.2.2 Policies in the emerging local plan⁷

Table 2-3: Summary of Mid Suffolk emerging policies having relevance to Hoxne Neighbourhood Plan Housing Needs Assessment⁸

Policy	Source	Provisions
Policy SP01: Housing Needs	Joint Local Plan (June 2019)	The Joint Local Plan (JLP) will seek to deliver a minimum of 10,008 additional dwellings (556 dwellings per annum) within the Mid Suffolk district over the plan period (2018 – 2036).
Policy SP02: Affordable Housing	Joint Local Plan (June 2019)	The JLP approach will seek to retain and deliver a 35% requirement for affordable housing on relevant sites of ten or more dwellings or sites of 0.5ha or more. Proposals which provide a greater amount of affordable housing than this will also be permitted, subject to the relevant Joint Local Plan policies. In exceptional circumstances, where it is evidenced and justified, and the Council is satisfied that the provision of affordable housing is not viable, the Council may agree to vary the requirement for affordable housing. A viability assessment will be required to demonstrate this.
Policy SP03: Settlement Hierarchy	Joint Local Plan (June 2019)	In all cases the scale and location of development will depend upon the role of settlements within the settlement hierarchy and the spatial distribution, the capacity of existing physical and social infrastructure or new/enhanced infrastructure, as well as having regard to the built and natural environment. As per the JLP, areas in Babergh and Mid Suffolk are categorised as Core Villages, Hinterland Villages and Hamlets Villages. As such, Hoxne is categorised as Mid Suffolk Hinterland Village.
Policy SP04: Housing Spatial Distribution	Joint Local Plan (June 2019)	From April 2018 to March 2036, 10% or 1,174 of the 12,296 total dwellings to be delivered in Mid Suffolk will be delivered in Hinterland Villages. 662 dwellings in the Hinterland Villages in Mid Suffolk have outstanding planning permission as of the 1 st April 2018, with 512 remaining.
Policy SP04: Neighbourhood Plans	Joint Local Plan (June 2019)	In order to assist with delivery of the overall district housing need requirements, designated Neighbourhood Plan areas will be expected to plan to deliver the minimum housing requirements between 2018 and 2036. Neighbourhood Plan documents can seek to exceed these requirements, should the unique characteristics and planning context of the designated area enable so.

⁷ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

⁸ Available at: <https://www.babergh.gov.uk/planning/planning-policy/new-joint-local-plan/joint-local-plan-preferred-options-july-2019/>

Policy	Source	Provisions
Policy LP06: Supported and Special Needs Housing	Joint Local Plan (June 2019)	<p>This policy states various conditions for Proposals for residential nursing homes and specialist housing and development proposals, including extensions, conversion and new developments for supported and special needs housing to be supported. It also sets out the conditions for scheme composition, which are summarised here: i) Scheme composition for proposals of ten units or more or sites of 0.5ha or more must accommodate 35% affordable housing to meet affordable housing need. ii) Proposals for ten units or more or sites of 0.5ha or more must accommodate 3% for bungalows if appropriate for the scheme. The bungalows provided will be required to remain in perpetuity through the removal of permitted development rights. Therefore, it may be necessary for the Local Planning Authority to apply conditions and/or request in a planning obligation/legal agreement.</p>
Policy LP07: Affordable Housing	Joint Local Plan (June 2019)	<p>The Joint Local Plan will seek to retain and deliver 35% requirement for affordable housing on relevant sites of ten or more units or sites of 0.5ha or more. In Mid Suffolk, 1,288 dwellings are to be for affordable rent / social rent, 583 are to be for shared ownership and 430 are to be for discounted home ownership/starter homes. Neighbourhood Plans may set requirements for a greater proportion of affordable housing where this is supported by evidence of need and a viability assessment.</p> <p>Where major development involves housing, 10% of the housing must be available for affordable home ownership as part of the overall affordable housing contribution from the site. Unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing.</p>

3. Approach

3.1 Research Questions

41. Research Questions abbreviated to 'RQ;' are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct the research and provide the structure for the HNA.
42. The RQs relevant to this study, as discussed and agreed with Hoxne, are set out below.

3.1.1 Tenure and Affordability

43. The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.
44. This evidence will allow Hoxne to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.

RQ 1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

3.1.2 Type and Size

45. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community.
46. The aim of this research question is to provide neighbourhood planners with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.

RQ 2: What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

3.1.3 Specialist Housing for Older People

47. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older people. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – including mainstream housing which meets the needs of households at all life stages and specialist accommodation which promotes independent living and access to care and support. There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for older people through the Plan period.

RQ 3: What provision should be made for specialist housing for older people over the Neighbourhood Plan period?

3.1.4 Quantity of housing to provide

48. The NPPF 2019 requires, through paragraphs 65 and 66, Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
49. Mid Suffolk has indicated that Hoxne will not be provided with a minimum number of homes to plan for during the Neighbourhood Plan period because Hoxne is not targeted for growth, and has no allocations. For this reason, the HRF is assumed to be 0 for the purpose of this study.
50. Given that the NPPF requirement has effectively already been fulfilled, the question of how many houses to plan is outside the scope of this Housing Needs Assessment. The issue of quantity has been excluded from the Research Questions (see Chapter 3 below).
51. Note that the Government's August 2020 consultation proposals for 'Changes to the current planning system' include a temporary measure to lift the small sites threshold. This would mean that on sites of up to 40 or 50 units, developers would not need to contribute to Affordable Housing. The purpose of this time-limited change (its duration is currently unknown) is to support small housebuilders as the economy recovers from the impact of Covid-19.

52. It is important to note here because it is likely that an sites which come forward in Hoxne may be smaller than the number of dwellings that would need to be delivered on a single site in order for Affordable Housing contributions to be required. It is therefore unlikely that any Affordable Housing will be built on normal development sites in the NA while this temporary change applies.
53. When the temporary period ends, the Affordable Housing requirement in the NA will revert to the relevant adopted Local Plan policy, which, in this case, requires Affordable Housing contributions on all sites delivering more than 10 dwellings. It is also important to note that this temporary change does not impact sites allocated solely for Affordable Housing, or any Affordable Housing exception sites allocated in the Local or Neighbourhood Plan. Finally, given that the Hoxne Neighbourhood Plan is yet to be made, it is possible that the temporary period will have already elapsed by the time that it comes into force. The neighborhood planners are advised to take note of this proposal as it evolves through the consultation process.

3.2 Relevant Data

3.2.1 Local authority evidence base

54. It is appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As Hoxne Neighbourhood Area is located within Mid Suffolk's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA) is known as Ipswich and Waverly SHMA (2017). A partial update was conducted in 2019 and has been referenced where applicable.
55. For the purpose of this HNA, data from Mid Suffolk's own evidence base to support their housing policies has been considered applicable and relevant unless it conflicts with more locally specific and/or more recently-produced evidence. The housing market evidence draws upon a range of data including population and demographic projections, housing market transactions, and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the Neighbourhood Plan area and has been referenced as appropriate.

3.2.2 Other relevant data

56. In addition to the Mid Suffolk evidence base, we have assessed other evidence to ensure our study is robust for the purposes of developing policy at the NP level and is locally specific. This includes data from both Census 2001 and 2011, as well as from a wide range of other data sources, including:
 - Land Registry data on prices paid for housing within the local market;
 - Population and household projections produced by the Office of National Statistics (ONS);
 - Information on current property asking prices, for housing for sale or rent, from home.co.uk;
 - Valuation Office Agency (VOA) data on local housing stock by dwelling type; and
 - The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for estimating the need for differing types of specialist dwellings for older people.

4. RQ 1: Tenure, Affordability and the Need for Affordable Housing

RQ 1: What Affordable Housing (eg social housing, affordable rented, intermediate rented, shared ownership, discounted market sale) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

4.1 Introduction

57. This section examines the tenure of dwellings in the current stock and recent supply. It then considers the affordability of housing within the area to local households. Drawing on existing evidence and AECOM’s estimates for the neighbourhood area, this section quantifies the need for affordable housing within the NA. This includes Affordable Housing for rent (typically social or affordable rents) and Affordable Housing to buy. The scale of need for these homes can justify policies that guide new developments to provide Affordable Housing.⁹

4.2 Definitions

- 58. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.
- 59. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, with capital letters, to denote those forms of housing tenure that fall within the definition of Affordable Housing set out in the current NPPF: social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms products designed to offer affordable routes to home ownership.¹⁰
- 60. The definition of Affordable Housing set out in the NPPF makes clear the Government’s commitment to home ownership (broadening a definition which had previously referred only to social and intermediate housing to include a range of low-cost housing opportunities for those aspiring to own a home). The Government has recently proposed to introduce First Homes to provide at least a 30% discount on new market housing for sale. However, the NPPF and Homes England funding for Affordable Housing recognises the important role of affordable rent tenures for those unable to afford home ownership.

4.3 Current tenure profile

- 61. The current tenure pattern is a key characteristic of the local neighbourhood area. 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. Table 4-1 below presents Census data from 2011; this table shows the distribution of how households occupy their homes within Hoxne compared to the rest of Mid Suffolk and England.
- 62. Hoxne’s current tenure profile is as follows: 64.6% of all households own their homes outright, which is lower than Mid Suffolk but slightly higher than England. Next, 18.8% of the homes in Hoxne are socially rented, which is higher than in Mid Suffolk, but only slightly higher than in England. In terms of private rent, 13.8% of households in Hoxne rent on the market, as compared to 11.2% in Mid Suffolk and 17.7% in England. Finally, percentages for shared ownership are roughly consistent in each location—shared ownership tenure options occupy the smallest share of the tenure profile in Hoxne as well as both wider geographies.
- 63. Overall, Hoxne’s tenure mix tracks the national average closely and departs most markedly from Mid Suffolk in its lower share of home ownership and slightly higher share of social renting.

Table 4-1: Tenure (households) in Hoxne, 2011

Tenure	Hoxne	Mid Suffolk	England
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⁹ PPG Paragraph: 021 Reference ID: 2a-021-20160401, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹⁰ NPPF 2019.

Owned; total	64.6%	75.1%	63.3%
Shared ownership	1.0%	0.9%	0.8%
Social rented; total	18.8%	11.3%	17.7%
Private rented; total	13.8%	11.2%	16.8%

Sources: Census 2011, AECOM Calculations

64. In Table 4-2, we note the changes in tenure during the intercensal period. Between 2001-2011, there was a substantial increase in the percentage of social rent in the neighbourhood area. This was followed by an increase in private renting, which is consistent with the change in both the LPA and England as a whole, although Hoxne experienced this to a lesser extent. Where the lack of growth in home ownership at larger scales is generally aligned with an increase in private renting as the cost of home ownership has grown out of step with incomes, in Hoxne it appears that households with affordability challenges have been able to access new social rented accommodation as well as privately rented homes. While there was no change in shared ownership in Hoxne, shared ownership increased by 220.6% in Mid Suffolk and by 30% in England. The percentage of homes owned outright increased by 2.1% in the NA, while home ownership increased by 11.6% in Mid Suffolk and dropped by 0.6% in England.

Table 4-2: Rates of tenure change in Hoxne, 2001-2011

Tenure	Hoxne	Mid Suffolk	England
Owned; total	2.1%	11.6%	-0.6%
Shared ownership	0.0%	220.6%	30.0%
Social rented; total	35.8%	7.3%	-0.9%
Private rented; total	26.2%	92.5%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

4.4 SHMA findings

65. A Strategic Housing Market Assessment (SHMA) for the Ipswich Housing market area (including Hoxne) was carried out in 2017¹¹. The SHMA area includes Ipswich, Babergh, Mid Suffolk and Suffolk Coastal. A partial update to the SHMA was carried out in 2019.¹² Key messages from the SHMA are presented below:
- The East of England Plan (Regional Spatial Strategy) includes a provision for 2,050 new homes annually in the study area between 2006-2021. However, it notes "examination in Public Panel Report suggests that these levels of new build may fall short of what is needed based on evidence concerning housing pressure, affordability and housing projections." This is relevant when considering the needs – in terms of affordability – of the NA.
 - The 2019 SHMA update estimated the annual net need for affordable housing in Mid Suffolk to be 128 homes per year (2,301 over the plan period). Delivering this level of affordable housing is achievable in the District as it equates to 30% of the current adopted local plan target of 430 dwellings per year (with local plan policy that requires 35% of all housing be affordable housing). It equates to just 23% of the proposed housing target in the emerging local plan. However, this HNA suggests that the SHMA 2019 evidence may underestimate affordable housing need in practice (discussed at 4.6 onwards in this section).

4.5 Affordability

66. Having reviewed the SHMA and the tenure of the existing housing stock in Hoxne, this report assesses the affordability of homes to those living in the Neighbourhood Plan area.
67. The following analysis considers house prices and rents in the neighbourhood area and whether these are affordable to local households on the basis of their incomes or earnings. Poor or worsening affordability or homes to rent or buy can indicate the need to provide Affordable Housing.

¹¹ Available at: <https://www.babergh.gov.uk/assets/Strategic-Planning/Current-Evidence-Base/Ipswich-and-Waveney-Housing-Market-Areas-Strategic-Housing-Market-Assessment-Part-1-May-2017.pdf>

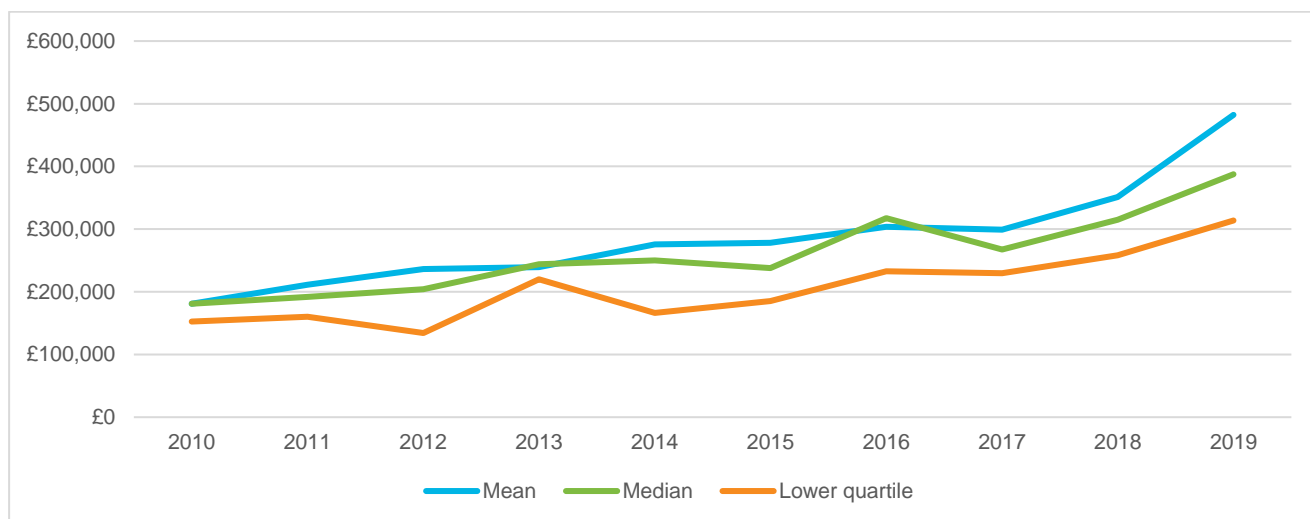
https://www.ipswich.gov.uk/sites/www.ipswich.gov.uk/files/ipswichdistricts-shma-aug-2012_0.pdf

¹² Available at: <https://www.eastsuffolk.gov.uk/assets/Planning/Suffolk-Coastal-Local-Plan/Local-Plan-Review/Evidence-base/SHMA-Part-2-update-2019.pdf>

4.5.1 House prices

68. 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.
69. Figure 4-1 below looks at selected measures of house prices in Hoxne between 2010 and 2019. It shows that there was a relatively steady increase in median prices between 2010-2014. There was a small decline between 2014 and 2015, followed by an increase from 2015-2016. This was once more followed by a drop from 2016-2017, after which prices steadily increased from 2017-2019. Mean prices grew at a relatively steady rate between 2010-2017, before increasing sharply from 2017-2019. Lower quartile prices similarly grew steadily, except for one major price spike between 2012-2013, which then declined in the following year. Between 2010-2019, mean prices grew by 166.4%, while median prices experienced a 114% increase. Lower quartile prices increased by 105.4% over the same period,
70. PPG makes clear that lower-quartile house prices may be used as a benchmark for entry-level home prices.¹³ Entry-level properties are typically those with one or two bedrooms – either flats or houses.

Figure 4-1: House prices by quartile in Hoxne between 2010 and 2019



Source: Land Registry PPD

71. Table 4-2 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It shows that there was a 166.4% growth in house prices in Hoxne between 2010-2019. There was a significant change in the prices of detached homes, which increased by 76.6%. Note that while 166.4% is a significant level of price growth, it should be viewed with caution. In 2010, the average house price was 181k (an average of various sales including detached, semis and terraces). In 2019, while the average house price was 482k, there were no sales of house types other than detached homes in that year. The average for the year is thus the average for detached homes only. Given the sample size is small, the average price growth is not representative.
72. It is also worth noting that while there were no sales of semi-detached and terraced homes in 2019, between 2010-2018, the prices of semi-detached homes increased by 73% while the prices of terraced homes increased by 76% over the same period.

¹³ See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Table 4-2: House prices by type in Hoxne, 2010-2019, 000's

Type	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Growth
Detached	£288k	£255k	£325k	£265k	£317k	£410k	£343k	£277k	£465k	£509k	76.6%
Semi-detached	£138k	£196k	£149k	£0	£209k	£222k	£235k	£176k	£239k	£0	-
Terraced	£160k	£157k	£189k	£138k	£137k	£209k	£180k	£305k	£281k	£0	-
Flats	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	0%
All Types	£181k	£211k	£236k	£239k	£276k	£278k	£304k	£299k	£351k	£482k	166.4%

Source: Land Registry PPD

4.5.2 Income

73. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
74. The first source is locally specific but limited to the average total household income. This is drawn from the average household income estimates published by ONS¹⁴ at the level of the Middle-layer Super Output Area (MSOA)¹⁵. In the case of Hoxne, the MSOA most suitable for use as a proxy for the Neighbourhood Plan area boundary is E02006261. Further details on the extent of this MSOA, including a map, and why it was selected as a proxy for the Neighbourhood Plan area, are set out in Appendix A.
75. The average total household income before housing costs across E020062621 was £44,600. This figure is typically used by mortgage lenders to assess a household's ability to afford to borrow.¹⁶
76. The second source of data is Lower Quartile (LQ) average earnings. This is helpful for understanding affordability challenges among those with lower than average earnings. However, this data relates to individual earnings and whilst this is an accurate representation of household incomes where households have one earner, it does not represent household income where there are two people earning. It is also only available at the District level.
77. It is derived from ONS annual estimates of paid hours worked and earnings for UK employees to local authority level. Although 2018 provisional data has been published, the revised 2017 data is considered more robust and is therefore used here.
78. Mid Suffolk's gross LQ weekly earnings for 2018 were £288 or approximately £14,971 per year. This is the LQ income before taxes (or benefits) for individual earners and so only correlates with the measure of household incomes above for single-person households. To estimate the income of LQ-earning households with two earners, the annual income is doubled, to £29,942.

4.5.3 Affordability Thresholds

79. In order to gain a clearer understanding of local affordability, it is also useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds'. Purchase thresholds denote the standard household income needed to access mortgage products, and income thresholds denote the maximum share of a family's income that should be spent on accommodation costs.
80. AECOM has determined thresholds for the income required to buy a home in the open market (average and entry-level prices), and the income required to affords private rent and the range of Affordable Housing tenures as set out in NPPF. These calculations are detailed in Appendix A. 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.

¹⁴Available at

<https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016>

¹⁵ An MSOA is a statistical area defined for Census purposes. For further information on MSOAs, see

<https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography>

¹⁶ Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

81. Table 4-3 shows the cost of different tenures and the annual income required to support these costs within Hoxne. The income required column is the annual income needed to support ongoing housing costs, but does not reflect the cost of a deposit (which we have assumed to be 10% of the value to be purchased) or the possibility that households able to access market housing for purchase may already hold equity from an existing property.

Table 4-3: Affordability thresholds in Hoxne (income required, £)

Tenure	Mortgage Value	Rent	Income required	Affordable on mean incomes? £44,600	Affordable on LQ 1 incomes? £14,971	Affordable on LQ 2 incomes? £29,942
Market Housing						
Median House Price	£348,750	-	£99,643	No	No	No
LA New Build Mean House Price	£301,255	-	£86,073	No	No	No
LQ/Entry-level House Price	£282,375	-	£80,679	No	No	No
Average Market Rent	-	£11,088	£36,960	Yes	No	No
Entry-level Market Rent	-	£8,268	£27,560	Yes	No	Yes
Affordable Home Ownership						
Discounted Market Sale (-20%)	£279,000	-	£79,714	No	No	No
Discounted Market Sale (-30%)	£244,125	-	£69,750	No	No	No
Discounted Market Sale (-40%)	£209,250	-	£59,786	No	No	No
Shared Ownership (50%)	£174,375	£4,844	£65,967	No	No	No
Shared Ownership (25%)	£87,188	£7,266	£49,129	No	No	No
Affordable Rented Housing						
Affordable Rent	-	£5,643	£22,572	Yes	No	Yes
Social Rent	-	£4,979	£19,916	Yes	No	Yes

Source: AECOM Calculations

82. The income required to afford the different tenures is then benchmarked, in Figure 4-4 against the three measurements of household income set out above. These are the average total household income for E02006261 at £44,600 and the lower quartile gross earnings for Mid Suffolk for single-earners at £14,971 and dual-earning households at £29,942.
83. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average market home for sale is higher than what would be expected to be available to those on median household incomes. The income required to buy an average entry-level home for sale is similarly higher than the average income of those on lower quartile household incomes. Those on lower quartile earnings can afford entry-level market rents, affordable rent and social rent, however only where there are two members earning or with additional subsidy. Households on LQ incomes cannot access any of the affordable home ownership options.
84. Government policy aimed at tackling the housing crisis continues to attach high priority on helping those on modest incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership.¹⁷
85. The gap between the cost of market renting and home ownership is wide, affecting those with incomes of between £27,500 and £80,500. Affordable routes to home ownership would be suitable to this group of households. With regard to the products that might be available to such households, the following observations can be made:
- It appears that none of the affordable home ownership options can extend homeownership to buyers on median incomes at the moment.
 - Whether discounted market sale is affordable will depend on whether properties are priced in relation to average, new build or entry level homes so developers will view discounts differently. New build homes are often

¹⁷ See the White Paper 'Fixing Our Broken Housing Market', at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

more expensive than properties for sale in the second-hand stock. Since it is not possible to provide robust new build prices at the NA level, LPA prices have been used here.

- Discounts on new build or average prices may make homes no more affordable than entry level properties in the existing stock. This would appear to be the case in Hoxne, where a discount of 30% on mean house prices is only just more affordable (at £271,000) than the lower quartile house price in the existing stock (£282,000).
- 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 £1,500 per sq m) would be around £105,000.¹⁸ This cost excludes any land value or developer profit.
- The income required to access Rent to Buy is the same as that required to afford market rents. In this case, this income required to access entry level rents is £36,960. Given this provides an option to those on mean incomes as well as LQ Households with two earners it is likely to represent the most affordable route to home ownership.
- It should be noted that the NP and neighbourhood group have very limited control or influence level of discount achieved on market sale properties. However, the LPA does have some say in this matter.
- The Government's proposed First Homes product would provide a minimum discount of 30% on new homes. New build prices are not available at the neighbourhood level because the number of transactions is too low. However, median average prices provide a reasonable proxy for the price of new homes. In Hoxne, 30% discount on average prices would not be sufficient to extend home ownership to households on median incomes.
- It is also relevant to make note of the various discounts that can be offered in the case of discounted market sales. Table 4-5 shows what discounts are required in order for properties to be affordable to households on average incomes. It is evident that a discount of 48% would be required. While this is within the scope of the First Homes product (which may be delivered at discounts of up to 50% if local evidence justifies it), this rate of discount may not be realistic to expect developers to deliver in practice. As such, it may be more effective to focus on providing other, more affordable tenures such as Rent to Buy. Table 4-6 also shows the effect of additional discounts on the purchase threshold.
- The latest Government consultation on 'Changes to the current planning system' proposes that Local Authorities will have discretion to increase the discount on First Homes to 40% or 50%, but that this would need to be evidenced in the Local Plan making process. Though it is expected that the decision to require a higher discount and the evidence supporting it would be undertaken at district- or borough-wide level, the evidence presented in this HNA may be helpful in advancing that discussion. The evidence gathered here suggests that seeking the highest possible discounts would be necessary in Hoxne.

Table 4-5: % Discount on Sale Price Required for Households on Mean Incomes to Afford

Mean household income in NA:	£44,600
Tenure/ product:	Discount on sale price required:
- <i>Market sale (Average)</i>	55%
- <i>New build market sale (Average for LA)</i>	48%
- <i>Entry level sale (LQ)</i>	45%

Source: Land Registry PPD; ONS MSOA total household income

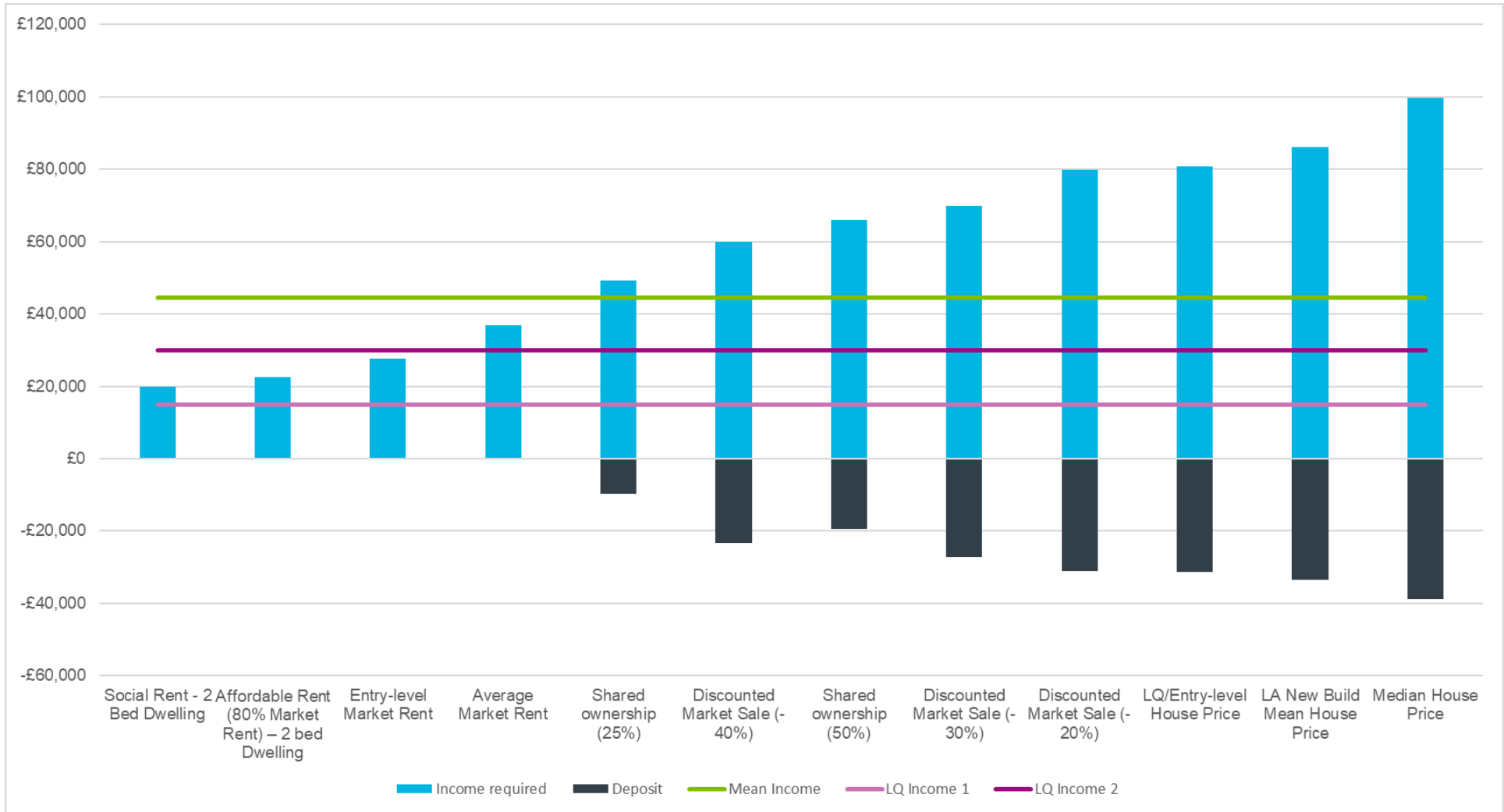
Table 4-6: Discounted Market Sale

Discount	20%	30%	40%	50%
Discounted value	£310,000	£271,250	£232,500	£193,750
10% Purchase deposit	£31,000	£27,125	£23,250	£19,375
Value for mortgage	£279,000	£244,125	£209,250	£174,375
Purchase Threshold	£79,714	£69,750	£59,786	£49,821

Source: AECOM Calculations, 2011; Land Price PPD

¹⁸ This estimate is included for illustration purposes. £1,500 build cost per sq m is a reasonable estimate of current costs (mid 2020); 70 sq m for a 2 bedroom property is consistent with the Government's Nationally Described Space Standards

Figure 4-2: Affordability thresholds in Hoxne (income required, £)



Source: AECOM Calculations

4.6 Affordable housing- quantity needed

86. Government policy (NPPF) recognises that households may need affordable housing if they cannot afford to rent or buy in the market. Affordable housing need assessments have typically focused on households who cannot afford any form of market housing and are in acute need. However, assessments now need to identify the scale of need from households who can afford to rent but cannot afford to buy and would prefer to do so. These households may not be in acute need but they represent potential demand for affordable home ownership homes and these homes are now defined as Affordable Housing in the NPPF (Annex 2). As such, this HNA considers need for affordable housing from those who cannot afford to rent and need some form of subsidised home ownership, and those who may want affordable home ownership options.
87. According to the SHMA (2019 update), the estimates from which have been taken forward in the Local Plan, the whole-plan figure for affordable rented housing in Mid Suffolk is 1,288, which equates to 71.6 per annum. When this figure is pro-rated to Hoxne based on its fair share of the population (0.92%)¹⁹, this equates to 0.66 dwellings per year or 10.5 dwellings over the plan period (16 years for the neighbourhood plan).
88. It is worth noting that the SHMA 2019 uses tenure based projections to produce estimates of the need for different forms of affordable housing. This is a valid approach but relies on household projections and does not take account of any backlog of households in housing need. In AECOM’s view, this approach may underestimate the scale of need.
89. Local authority housing registers can provide an indication of the backlog of housing needs in an area. We have gathered information from Mid Suffolk’s Housing Register relating to Hoxne specifically (see Figure 4-3 below). This shows that, as of a snapshot in time in 2020, there are 6 households currently in need of Affordable Housing. AECOM suggest that these 6 households are likely to be in addition to those identified by the SHMA 2019. If 11 affordable rented dwellings can be provided during the plan period, this suggests that the majority of new homes would be taken up by addressing the backlog of needs.
90. As per information provided by the LPA, we found that one-bedroom homes are in high demand in the neighbourhood area—as seen in the table below, in January 2020, 4/6 applicants required a one-bedroom home and 4/6 applicants were over the age of 55. Furthermore, the data in the table below is consistent with needs identified in previous years—based on our review of records from 2014-2020, one-bedroom homes are the most frequent request and over half of all applicants are aged over 55²⁰. While the needs of those categorized as Band E are not considered urgent (Band E being applicants that do not have housing need), several applicants fall under Band B (Applicants with Serious Needs) and Band C (Applicants with medium need)²¹. This information thus suggests that there is a need for small affordable homes for rent in the neighbourhood area.

Figure 4-3: Registered Housing Need for Hoxne (January 2020)

Bedroom Size:	Band:	No of Applicants with a Local Connection:
1b	B	1 (Code 3)
1b	E	3 (2x Code 2)
2b	B	1
2b	E	1
Total No of Applicants: 6, of which Over 55's = 4		

Source: Mid Suffolk, Housing Register 2020

91. While the above section identified potential need for affordable housing for rent, it is also important to estimate the scale of need, or potential demand, for affordable home ownership from households who can rent but cannot afford to buy.

¹⁹ 0.92% is Hoxne’s share of the population of Mid Suffolk based on the Census 2011. Its share of the local authority’s population appears to be smaller using the latest mid year 2018 population estimates (0.83% of the District’s population). As such, estimates based on pro rating would be lower if the mid year estimates were used instead of the Census. However, as these are estimates rather than confirmed figures, we have used the Census population figures to establish Hoxne’s share in this report. This is consistent with the approach we take in our other HNAs.

²⁰ While we will consider the aspect of age in further detail later in the HNA (see Chapter 6), it is relevant to bear in mind who the homes are for, since older age groups might have more specialised housing needs.

²¹ Available at: <https://www.midsuffolk.gov.uk/assets/Housing-and-Homelessness/Allocations-Policy.-Final-2016.pdf>

92. The SHMA 2019 provides estimates of the potential demand for shared ownership and discounted market housing, again using tenure based projections which rely on the 2014 based household projections for Mid Suffolk. As with the estimates of the need for affordable rented homes, AECOM's view is that this approach may understate the need for these homes because the approach does not factor in any backlog of need (or potential demand) that has built up in the past. The SHMA 2019 estimates the need for 430 discounted market homes (24 per annum) and 583 shared ownership homes (32 per annum) over the plan period in Mid Suffolk. Pro rated to Hoxne (0.92% share²²), this equates to 0.22 discounted market homes per annum and 0.30 shared ownership homes per annum. Over the 16 year plan period, this would equate to 3.5 discounted market homes and 4.8 shared ownership homes (8.2 homes in total).
93. It is useful to consider what the impact might be on the potential demand for affordable home ownership if the backlog of need is taken to account. Table 4-8 below estimates potential demand for affordable home ownership products within Hoxne using AECOM's approach. This estimate broadly counts households living in the private rented sector (PRS) who are not on housing benefit and new households likely to form over the plan period who are likely to enter the private rented sector (but not require housing benefit). The model aims to estimate the number of households who can rent but can't buy on the basis of their incomes. 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 discounts 25% of these households, assuming a proportion will be renting out of choice. The model estimates potential demand from around 2.5 household per annum who may be interested in affordable home ownership (or 38 over the plan period) in Hoxne.

Table 4-8: Estimate of the potential demand for affordable housing for sale in Hoxne

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	64.6	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	16.9%	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefits in NA	10.9	1.1 x 1.2
1.4 Current need (households)	40.2	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	2.2	1.4/ plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	66.8	LA household projections for plan period (2014 based) pro rated to NA
2.2 % of households unable to buy but able to rent	10.9%	Current % of households in PRS
2.3 Total newly arising need	7.3	2.1 x 2.2
2.4 Total newly arising need per annum	0.6	2.3/ plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	5.1	Number of shared ownership homes in NA (Census 2011 + new build to 2018/19)
3.2 Supply - intermediate resales	0.3	3.1 x 5% (assume rate of re-sale)
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Shortfall (per annum)	2.5	Shortfall = (Step 1.5 + Step 2.4) – 3.2

Source: AECOM model, using Census 2011, English Housing Survey 2018, CLG 2014 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

94. It is important to keep in mind that the households identified in the estimate in Figure 4-8 are, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent. However, the backlog of potential demand for affordable home ownership suggests the need for these affordable homes

²² 0.92% is Hoxne's share of the population of Mid Suffolk based on the Census 2011. Its share of the local authority's population appears to be smaller using the latest mid year 2018 population estimates (0.83% of the District's population). As such, estimates based on pro rating would be lower if the mid year estimates were used instead of the Census. However, as these are estimates rather than confirmed figures, we have used the Census population figures to establish Hoxne's share in this report. This is consistent with the approach we take in our other HNAs.

may be higher than the SHMA 2019 suggests. It is likely that over a 16-year Plan period more than 8 households (identified by the SHMA 2019) will wish to take up affordable home ownership options if these are made available, so it is worth noting the higher estimate provided in Table 4.8. This gives a range of between 8.2 to 38 households who might want to form their own households using affordable home ownership products over the plan period.

95. Taken together, the SHMA 2019 estimate equates to 18.8 affordable homes over the Hoxne Neighbourhood Plan period (16 years) or 1.2 homes each year. AECOM suggest this is likely to be the minimum level of need for affordable housing as it does not factor in any backlogs of need that have built up in the past. However, this will be challenging to meet given the likely small scale of development anticipated in Hoxne.
96. There is no policy or legal obligation on the part either of the Local Authority or neighbourhood planners to meet affordable housing needs in full, either within or outside the Neighbourhood Plan area, though there are tools available to neighbourhood planners that can help ensure that it is met to a greater extent if resources permit (eg the ability to allocate sites for affordable housing).
97. It is also important to remember that even after the Hoxne, or indeed any other, 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 neighbourhood planners.
98. In this sense, it must be acknowledged that neighbourhood plans are by their nature relatively constrained in terms of the extent to which they can meet affordable housing need, unless there is a specific policy on the housing supply-side (e.g. the identification of one or more housing exception sites over and above those required by the Local Plan).

4.6.1 Affordable Housing Policies in Hoxne

99. Mid Suffolk's Local Plan policy in relation to Affordable Housing delivery will seek to retain and deliver a 35% requirement for affordable housing on relevant sites of ten or more dwellings or sites of 0.5ha or more. This policy would apply in Hoxne, subject to sites coming forward for development with ten or more dwellings.
100. Note, however, that the Government's August 2020 consultation proposals for 'Changes to the current planning system' include a temporary measure to lift the small sites threshold. This would mean that developers would not need to contribute to Affordable Housing on sites of up to 40 or 50 units. This represents a significant increase on the threshold sought in the Local Plan (cited above), and therefore may reduce the delivery of Affordable Housing on normal development sites during the temporary period in which it applies.
101. It is expected that this temporary period will be short and, being introduced to combat the economic impacts of Covid-19 on small builders, may have already elapsed by the time the Neighbourhood Plan is made. Nevertheless, it could have an impact on Affordable Housing delivery in the short term, and warrants the attention of the neighborhood planners as the Government consultation proceeds. For more detail on this proposal in relation to the overall quantity of housing expected in the NA during the Plan period and a link to the consultation document, see the 'Quantity of housing to provide' section at the start of this report (section 2.2.3).
102. The neighbourhood group may wish to develop policies on the mix of Affordable Housing delivered in Hoxne. It is not the role of the HNA to develop policy, as there are a wider set of factors which apply and need to be considered by the neighbourhood planners. However, the following evidence and considerations may be used as a starting point in the development of policy. On the balance of the evidence in this HNA, AECOM set out a judgement on the starting point for an appropriate tenure mix in Hoxne.
 - A. **Evidence of need for Affordable Housing:** If Hoxne was to meet its share of Mid Suffolk's need for social/affordable rented housing this would imply 0.66 dwellings per annum or 10.5 over the plan period. AECOM suggest there may be additional need from the backlog of households that have formed in the past. AECOM's estimate of the potential demand for affordable home ownership options suggests there may be a need for these homes in Hoxne to address the aspirations of households who can rent but can't buy. AECOM's estimate identified the potential maximum demand for 38²³ homes over the plan period. This is likely to represent an upper estimate of the need for this form of affordable housing, with the need of 8 dwellings estimated in the SHMA forming the low end of a range.
 - B. **Can Affordable Housing needs be met in full?** There is no Housing Requirement Figure (HRF) for Hoxne, so it is not possible to determine whether likely affordable housing delivery will be sufficient to meet the needs

²³ We presented future demand as a range – 38 represents the higher end of the range.

identified here. It is likely that Hoxne will not be required to generate housing growth. If this is the case, or the dwellings that may come forward are not sufficient, it is often desirable to prioritise within the mix of Affordable Housing, rented tenures that cater to those in the most urgent needs.

- C. **Government policy (eg NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Since the Local Plan requires 35% of all homes delivered to be affordable, at least 29% of Affordable Housing would need to be routes to home ownership in order for such products to total more than 10% of all housing. If it is assumed that only small scale development will take place in Hoxne, the number of affordable homes delivered overall is likely to be limited. As such, going beyond the 10% threshold in Hoxne could impact on the ability to deliver much needed social/affordable rented homes.
- D. **Emerging policy:** the Government is currently consulting on the introduction of First Homes (to provide at least 30% discount on new build home prices). The most recent consultation outlines the Government's intention to require that a minimum of 25% of all Affordable Housing secured through developer contributions should be first homes. The outcome of this consultation and the policy which emerges may shape the provision of different forms of Affordable Housing on new development sites, and the neighbourhood group will need to keep this emerging policy in mind when developing its Neighbourhood Plan policies.

The August 2020 proposals relating to First Homes convey the Government's intention to require that 25% of all Affordable Housing is delivered as First Homes. The 25% First Homes requirement is likely to displace other affordable home ownership products in the first instance. Those affordable home ownership products providing the lowest discount should be displaced first. However, affordable rented products may also be affected depending on the tenure mix sought (i.e. if more than 75% of affordable housing is intended as affordable rent, this would need to be reduced to a maximum of 75% affordable rent so that First Homes can constitute 25% of all affordable housing). As yet, it is unclear whether there will be any flexibility over this 25% requirement to take account of local circumstances. The August 2020 proposals also present options on how the make-up of the tenure mix of the remaining 75% of affordable housing is determined, with one option to maintain as far as possible the affordable rented proportions in the local plan, while a second option would allow greater flexibility. It is unknown at this time which option will be pursued.

- E. **Local Plan policy:** While the emerging/adopted Local Plan does not provide a tenure mix, the Ipswich and Waverly updated SHMA (2019) recommends a split of affordable housing wherein 12.7% is affordable rented housing and 10.0% is affordable home ownership, of which 5.8% could be Shared Ownership and 4.2% Starter Homes (the remaining percentage being market housing).
- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Council's adopted/emerging Local Plan and it is acknowledged that this may affect the provision of affordable housing and/or the mix of tenures provided.
- G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Hoxne:** The evidence suggests there is a need for affordable housing in the NA. While there is a higher proportion of social rent in the neighbourhood area compared with wider Mid Suffolk, there is very little shared ownership. Additionally, our analysis demonstrated a need for affordable housing for rent in Hoxne, including amongst those aged over 55. In terms of affordable housing for sale, while there is some potential demand, few applicable products have been found to be genuinely affordable. If these products are to be delivered, they need to be discounted sufficiently to ensure they are affordable to the target group of households.
- I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in this area.
- J. **Wider policy objectives:** the neighbourhood group may wish to take account of broader policy objectives for Hoxne and/or the wider District. These could include, but are not restricted to, policies to attract younger households, families or working age people to the Neighbourhood Area. These wider considerations may influence the mix of Affordable Housing provided.

103. In Table 4-9 below, two alternative scenarios for the tenure mix of Affordable Housing in Hoxne are presented. Note that we assume, in accordance with current practice, that most Affordable Housing will be brought forward through developer contributions. If the neighbourhood planners are considering delivering Affordable Housing through other means, the national policy requirements reflected here may not apply.
104. The first scenario (Mix 1 – Indicative mix based on local needs) proposes that 71% of affordable homes be provided as rented tenures, and the remaining 29% delivered as affordable routes to home ownership. This mix aligns with the Local Plan in prioritising the most acute needs as far as possible. This recommendation is influenced by the fact that there is little housing development expected in Hoxne during the period. If this situation changes, and the need for 11 units of affordable rented housing can be satisfied, it may be beneficial to rebalance the tenure mix toward affordable routes to home ownership.
105. By following a 29/71 split, the NP group will be able to prioritise affordable rented housing, given that overall housing supply expectations are low. Furthermore, this split also permits 29% of delivery to be provided as ownership products, which the NA would greatly benefit from given that there is currently limited shared ownership in the NA and that some affordable home ownership options will allow newly forming households or younger families to remain in the area (if suitable and affordable products can be delivered at affordable price points).
106. Evidence on the affordability of different affordable home ownership products suggests that discounted market homes at a 30% discount would not extend home ownership in this area and higher discounts would need to be sought. It is worth noting that the 2019 SHMA states that discounted market homes are likely to be the most affordable tenure for individuals that would otherwise reside in the private rented sector, estimating a demand for roughly 2,119 discounted market homes in Mid Suffolk between 2018-2036. However, while this might be the case for the broader HMA and certainly for a small number of households in Hoxne, our calculations indicate that although most households on mean incomes can afford average and entry-level market rents, they cannot access discounted market sales and shared ownership products at minimum discount levels.
107. However, given the income required to access Rent to Buy is the same as that required to afford market rents, we suggest the group consider Rent to Buy as one of the more affordable routes to home ownership. In this case, as seen in Table 4-4, the income required to access entry level rents is £36,960. As per our calculations, this provides an option to those on mean incomes as well as to LQ Households with two earners. As such, we propose a broad balance between affordable home ownership products, on the assumption that higher rates of discount could be achieved, with the option to further emphasise rent to buy if this is not the case in practice.
108. The second scenario (Mix 2 – Indicative mix with 25% First Homes requirement) proposes the same headline split of 71% affordable rented tenures and 29% affordable routes to home ownership, of which 25% is delivered as First Homes. This aligns with the direction of proposed national policy, which includes a mandated minimum level of delivery of the Government's new First Homes affordable home ownership product. The sub-tenures within affordable home ownership are simply rebalanced to align with that national policy requirement – should it go ahead as planned.
109. This outcome is more likely than the first scenario, because the Government proposals are at an advanced stage of development. However, this is proposed here as one of two alternative scenarios in case the First Homes policy proposals do not progress. Given that First Homes have been found less likely to be generally not affordable to local people in Hoxne, if the Government proposal requiring 25% First Homes does not come forward as currently proposed, it is recommended that the neighbourhood planners revert to the other indicative mix as their starting point for policy development in this area.
110. Note also that the Government proposals state that if First Homes are required at 25% of Affordable Housing that comes forward through developer contributions and this results in displacing other tenures within the affordable mix, the tenure products providing the lowest effective discount should be displaced in the first instance. In this case, of the suggested affordable routes to home ownership, shared ownership and rent to buy would both be displaced, and it is proposed that shared ownership (with a lower recommended proportion in mix 1) be reduced to zero so that a modest quantity of rent to buy might still be sought.
111. Where the neighbourhood planners wish to develop policy that requires a different mix to that set out in the Local Plan, it is important that they liaise with the LPA to gather more detailed income and viability information, and to ensure that departures from the district-level policy context have the LPA's support. Liaising with the LPA will be particularly important where the Local Plan tenure split can be expected to be adjusted in light of the latest Government proposals, to ensure that the Neighbourhood Plan's approach in reflecting these changes is in line with the LPA approach. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-size circumstances in addition to this evidence.

112. AECOM cannot provide guidance on the appropriate share of social/affordable rented homes as this will depend on the level of funding available to housing associations which will determine at what level rents can be set. Registered providers (eg housing associations) may be reluctant to deliver small numbers of homes where there are ongoing management costs involved. For this reason, the proportion of rented homes which can be secured may depend on the willingness of local housing association to maintain and manage small numbers of homes.
113. Mix 2 put forward below aligns as closely as possible with emerging Government policy as currently proposed. If those proposals do not go forward, the recommended starting point for the tenure mix in the NA will be Mix 1 below. However, the considerations detailed above will remain relevant for determining a more appropriate mix in the light of national policy changes or other unexpected developments.

Table 4-9: Indicative tenure split (Affordable Housing)

Tenure	Mix 1. Indicative mix based on local needs	Mix 2. Indicative mix with 25% First Homes requirement	Considerations and uncertainties
Routes to home ownership, of which	29%	29%	Government proposing min 25% requirement for First Homes. Uncertainty over extent of requirement until policy finalised.
First Homes ²⁴	7%	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc
Shared ownership	7%	0%	Proposed changes to the model to allow purchases of 10% share ²⁵ - impact on viability unknown RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to buy	15%	4%	Emerging product with popularity and effectiveness as yet unknown Impact of displacement by First Homes unknown
Affordable Housing for rent, of which	71%	71%	
Social rent	To be set by Registered Providers	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area Uncertain whether RPs willing to own/manage stock in this area
Affordable rent	To be set by Registered Providers	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area

Source: AECOM calculations

114. Assuming that the Government's proposal that 25% of all affordable Housing should be First Homes is formalised, the neighbourhood group will need to take account of how this could impact on affordable housing policies (particularly the tenure mix) in the Neighbourhood Plan. The evidence gathered here suggests that this proposal would not impact on the ability of Hoxne to accommodate those with the most acute needs.
115. It is recommended that consideration is also given to alternative mechanisms capable of helping to meet local need, where appropriate (i.e. rural/entry-level exception sites or community led housing etc.).
116. However, the neighbourhood planners should note that the First Homes product has not been formally implemented, and should await the outcome of the Government consultation.

²⁴ In the event that the First Homes product does not go forward at all, the proportion of Affordable Housing allotted to First Homes in Mix 1 could be re-allocated to discounted market sales housing if this is available at broadly equivalent discounts, or to other forms of affordable home ownership also recommended in the table.

²⁵ <https://www.gov.uk/government/news/jenrick-unveils-huge-12-billion-boost-for-affordable-homes>

4.7 Conclusions- Tenure and Affordability

117. In terms of the current tenure profile of the neighbourhood, 64.6% of all households in Hoxne own their homes outright, which is lower than Mid Suffolk but slightly higher than England. Next, 18.8% of households in Hoxne are in socially rented homes, which is much higher than in Mid Suffolk, but only slightly higher than in England. In terms of private rent, 13.8% of households in Hoxne rent on the market, as compared to 11.2% in Mid Suffolk and 17.7% in England.
118. House prices increased by 166.4% between 2010-2019. There was a significant change in the prices of detached homes, which increased by 76.6%. Note that while 166.4% is a significant level of price growth, it should be viewed with caution. In 2010, the average house price was 181k (an average of various sales including detached, semi-detached and terraced homes). In 2019, while the average house price was 482k, there were no sales of house types other than detached homes in that year. The average for the year is thus the average for detached homes only. Given the sample size is small, the average price growth is not representative.
119. By benchmarking the incomes required to afford the different tenures in the neighbourhood area, we determined the following:
120. Affordability is a challenge in Hoxne, with entry level house prices unaffordable to households on average incomes. Our analysis found that households with incomes between £27,560 and £80,679 are able to rent in the market but cannot buy, thereby suggesting the possibility of introducing affordable routes to home ownership.
121. Based on the options available, Rent to Buy is the most accessible option for those in this category because unrealistically large discounts are generally required to bring discounted market housing within reach of median earning households. Rent to Buy is likely to be affordable to households able to afford average market rents and therefore may offer an affordable route to home ownership for households able to afford these rents. While entry-level rents are affordable to households on both mean incomes and LQ incomes, average market rents are only accessible to those on mean incomes.
122. Next, our analysis found that the income required to buy an average market home for sale is higher than what would be expected to be available to those on median household incomes. The income required to buy an average entry-level home for sale is similarly higher than the average income of those on lower quartile household incomes.
123. Finally, our analysis found that those on lower quartile earnings can afford entry-level market rents, affordable rent and social rent, however only where there are two members earning or with additional subsidy. Households on LQ incomes cannot access any of the affordable home ownership options.
124. 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, and implemented by the LPA. It is estimated that there will be need for a minimum of 10.5 units of affordable rented housing and 8 units of affordable housing for sale in Hoxne over the Plan period using the SHMA 2019 estimates. AECOM suggest that need and potential demand for affordable housing may be higher in practice if the 'backlog' of needs that has built up in the past is taken into consideration.
125. Hoxne does not have a sufficiently large housing requirement or delivery expectation to meet this identified need. 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 community development orders, identifying exception sites or developing community land trusts are all tried and tested ways of boosting the supply of affordable housing above the minima indicated by Local Plan policy.
126. Two indicative tenure mixes have been provided, which could serve as a guideline for the breakdown of Affordable Housing tenures in Hoxne based on various considerations and evidence. Mix 1 (indicative mix based on local needs) proposes that 71% of affordable homes be provided as rented tenures, and the remaining 29% delivered as affordable routes to home ownership. This mix aligns with the Local Plan in prioritising the most acute needs as far as possible. This recommendation is influenced by the fact that there is little housing development expected in Hoxne during the period. If this situation changes, and the need for 11 units of affordable rented housing can be satisfied, it may be beneficial to rebalance the tenure mix toward affordable routes to home ownership.
127. Mix 2 (indicative mix with 25% First Homes requirement) proposes the same headline split of 71% affordable rented tenures and 29% affordable routes to home ownership, of which 25% is delivered as First Homes. This aligns with the direction of proposed national policy, which includes a mandated minimum level of delivery of the Government's new First Homes affordable home ownership product. The sub-tenures within affordable home ownership are simply rebalanced to align with that national policy requirement – should it go ahead as planned.

5. RQ 2: Type and Size

RQ 2: What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

5.1 Introduction

128. The Hoxne Neighbourhood Plan may benefit from the inclusion policies informed by evidence on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people options within the housing market at all stages of life.
129. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Hoxne. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type is determined by the way different household types currently occupy their dwellings in the LPA, and then applying demographic projections of how the Neighbourhood Plan area population is likely to change by the end of the Plan period.

5.2 Existing types and sizes

5.2.1 Background and definitions

130. Before beginning our consideration of dwelling type and size, it is important to understand how different types of households occupy their homes. Crucially, and unsurprisingly, household 'consumption' of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth, income, and age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability.
131. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture to demographics, household type and size.
132. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' can be translated as follows²⁶:
- 1 room = bedsit
 - 2 rooms = flat/house with one bedroom and a reception room/kitchen
 - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
 - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
 - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
 - 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
 - 7+ rooms = house with 4 or more bedrooms
133. It is also useful to clarify the Census terminology around dwellings and households spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained.²⁷ As such, all dwellings are classified into either "shared" or "unshared" dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.
134. The key measure of whether a dwelling is shared or unshared relates to the Census' definition of a household. A household is defined as "One person living alone or a group of people (not necessarily related) living at the same

²⁶ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

²⁷ At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

address who share cooking facilities and share a living room or sitting room or dining area.”²⁸ On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

5.2.2 Dwelling type

135. The 2011 Census shows that there were 384 households in Hoxne, living in 199 detached houses, 120 semi-detached, 60 terraced houses, and 28 flats. Hoxne’s overall profile is consistent with that of the LPA. As seen in Table 5-1 below, the overall percentage of detached houses in Hoxne is similar to Mid Suffolk, but is higher than is seen in England overall. Similarly, Hoxne and Mid Suffolk have a similar percentage of semi-detached and terraced homes. As compared to England as a whole, both Hoxne and Mid Suffolk have a low percentage of flats.

Table 5-1: Accommodation type (households), Hoxne, 2011

Dwelling type		Hoxne	Mid Suffolk	England
Whole house or bungalow	Detached	48.7%	47.5%	22.4%
	Semi-detached	29.3%	32.6%	31.2%
	Terraced	14.7%	13.7%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	5.9%	4.2%	16.4%
	Parts of a converted or shared house	0.5%	0.8%	3.8%
	In commercial building	0.5%	0.5%	1.0%

Source: ONS 2011, AECOM Calculations

5.2.3 Dwelling size

136. Table 5-2 below sets out the distribution of the number of rooms by household space. The housing stock in Hoxne is characterised by a relatively large percentage of medium-large homes. 16.1% of all homes in Hoxne have nine or more rooms. The bulk of Hoxne’s housing stock is comprised of homes with four or more rooms—that is, roughly 88.5%.

137. In comparison to Mid Suffolk, Hoxne has roughly the same profile. Both Hoxne and the LPA have i) a very low percentage of one- to two- room homes and ii) predominantly medium to large homes. The main difference is that Mid Suffolk has a greater share of five and six room homes than Hoxne, while Hoxne has a larger share of homes with seven to nine (or more) rooms. Thus, Hoxne has a relatively greater share of large houses, however, the overall profile of both areas are similar, given they have larger, mainly detached homes.

Table 5-2 Number of rooms per household in Hoxne, 2011

Number of Rooms	Hoxne	Mid Suffolk
1 Room	0.0%	0.1%
2 Rooms	2.3%	1.1%
3 Rooms	9.1%	5.2%
4 Rooms	14.8%	15.6%
5 Rooms	15.9%	22.2%
6 Rooms	14.6%	18.7%
7 Rooms	15.4%	12.6%
8 Rooms or more	11.7%	10.4%
9 Rooms or more	16.1%	14.0%

Source: ONS 2011, AECOM Calculations

138. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. The main changes from the 2001 Census findings are as follows:

- i) There was an increase in the numbers of both three-room homes, seven room homes and homes with eight or more rooms. The number of three-room homes increased from 23 in 2001 to 35 in 2011,

²⁸ Ibid.

whilst the number of seven-room homes increased from 41 in 2001 to 59 in 2011. The number of homes with eight or more rooms increased from 97 in 2001 to 107 in 2011.

- ii) The percentage of two room homes declined between 2001 and 2010. However, this change was from a low base: the number of two room homes decreased from 10 to 9 over the period.
- iii) There was a 14% decline in the percentage of five room homes. Over the period, the number of five room homes decreased from 71 to 61.
- iv) There was a 8.2% decline in the percentage of six room homes. The number of six room homes decreased from 61 to 56 over the ten-year period.
- v) There continued to be no one-room homes in the neighbourhood area.

139. As compared to Mid Suffolk, Hoxne experienced similar changes overall, that is, growth in the numbers of large homes, with seven or more rooms. In Mid Suffolk, the percentage of homes with seven or more homes increased by 59% between 2001 and 2011, while in Hoxne, the percentage of homes with seven or more rooms increased by 54%.

140. However, while Mid Suffolk experienced growth in the numbers of both small and large homes, Hoxne did not experience growth in the numbers of small homes to the same extent, if at all. For instance, the numbers of two room homes increased from 347 to 450 in Mid Suffolk, while numbers of two room homes decreased by 1 in Hoxne. Next, while the number of three-room increased from 1,830 in 2001 to 2,082 in 2011 in Mid Suffolk, the numbers of three-room homes increased from 23 to 35 in Hoxne. However, this disparity is likely a function of Hoxne being a mainly rural area, where detached, large homes are more common.

Table 5-3: Rates of change in number of rooms per household in Hoxne, 2001-2011

Number of Rooms	Hoxne	Mid Suffolk	England
1 Room	0.0%	-23.3%	-5.2%
2 Rooms	-10.0%	29.7%	24.2%
3 Rooms	52.2%	13.8%	20.4%
4 Rooms	16.3%	0.2%	3.5%
5 Rooms	-14.1%	1.6%	-1.8%
6 Rooms	-8.2%	13.4%	2.1%
7 Rooms	43.9%	25.1%	17.9%
8 Rooms or more	10.3%	34.1%	29.8%

Source: ONS 2001-2011, AECOM Calculations

141. Returning to the most recent Census data, it is also useful to compare the figures for number of rooms with figures for the number of bedrooms for each household. Table 5-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that a majority of Hoxne's housing stock comprises houses with three bedrooms (38.5%). This is followed by homes with two (20.8%) and four bedrooms (18%). This is consistent with Mid Suffolk's profile, as 40% of all household spaces in the LPA have three bedrooms. Similar to Hoxne, 25% of Mid Suffolk's households have two bedrooms and 21% have four bedrooms. The profile of the NA and LPA is similar to that of England of a whole, given that roughly 41% of the country's total household spaces have three bedrooms. It is also worth noting that the number of one-bedroom homes in Hoxne is double that of Mid Suffolk.

142.

Table 5-4: Number of bedrooms in household spaces in Hoxne, 2011

Bedrooms	Hoxne		Mid Suffolk		England	
Number of bedrooms	384	100.0%	40,306	100.0%	22,063,368	100.0%
No bedrooms	0	0.0%	42	0.1%	54,938	0.2%
1 bedroom	48	12.5%	2,419	6.0%	2,593,893	11.8%
2 bedrooms	80	20.8%	10,093	25.0%	6,145,083	27.9%
3 bedrooms	148	38.5%	16,298	40.4%	9,088,213	41.2%
4 bedrooms	69	18.0%	8,547	21.2%	3,166,531	14.4%
5 or more bedrooms	39	10.2%	2,907	7.2%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

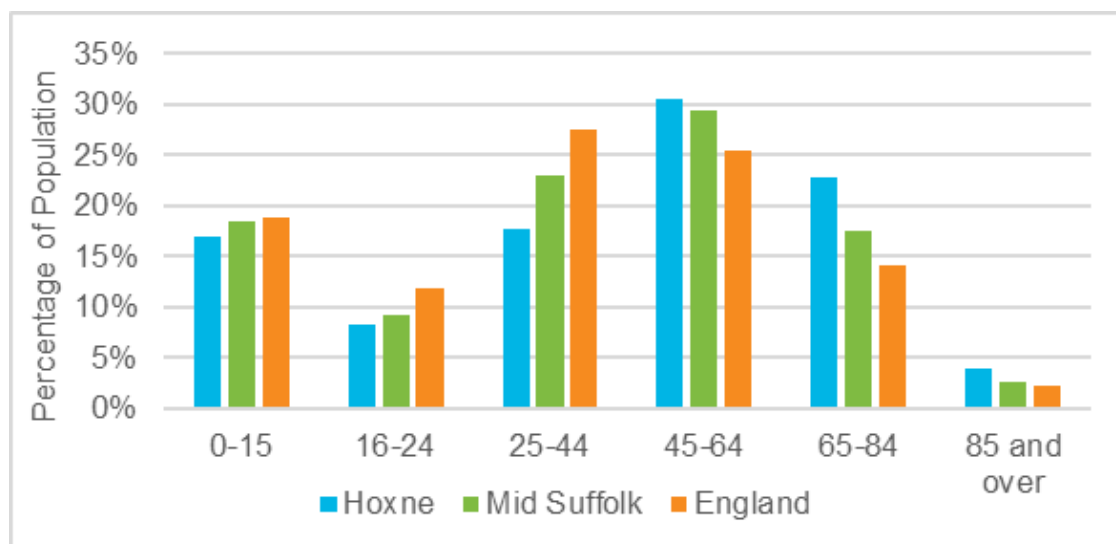
5.3 Household composition and age structure

143. Having established the current stock profile of Hoxne and identified recent changes in its composition, the evidence assembled below examines the composition and age structure of households in the 2011 Census and in future years. Through a consideration of the types of households projected to form over the Neighbourhood Plan period, and the mix of age groups suggested by demographic projections, it becomes possible to consider the type and size of housing needed in the Neighbourhood Plan area by the end of the planning period.

5.3.1 Age structure

144. The 2011 Census data reveals that 30% of Hoxne’s population is between the ages of 45-64. As the time of the 2011 Census, this was the largest age group in Hoxne. Next, roughly 27% of Hoxne’s population was aged 65 and above in 2011. Given the two categories in combination formed 57% of Hoxne’s age structure in 2011, it is fair to say that the NA has a rapidly aging population, given that several members from these groups have now entered the age bands 65-84 and 85 and over.
145. In terms of the younger population in Hoxne, roughly 17% of Hoxne’s population was aged between 0-15 in 2011. 8% of the population was between the ages of 16-24 and 18% was between 25-44.
146. Note also that as compared Hoxne, England has higher shares than Hoxne in all the young age groups while Hoxne has much higher shares in each of the older age groups. Mid Suffolk generally occupies the middle ground in each case.

Figure 5-1: Age structure in Hoxne, 2011



Source: ONS 2011, AECOM Calculations

147. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 the NA population has changed as follows: first, the percentage of those in the age group 25-44 decreased by roughly 11%. Between 2001-2011, the number of individuals in this group decreased from 176 to 157. Next, the number of individuals between the ages of 45-64 and 65-84 both increased by 19.9% and 19.4% respectively. The number of individuals in the first age group increased from 226 to 270, while the numbers of those in the second group increased from 170 to 203. Finally, the percentage of individuals aged 85 and over decreased by 12.5%--the exact number of individuals in this group decreased from 40 in 2001 to 35 in 2011.
148. Compared to its wider geographies, Hoxne experienced a relatively similar rate of change as Mid Suffolk, in terms of the share of individuals between the ages of 45-84 increasing over the period. The growth seen in both the NA and LPA in this band is higher than the rate of change in England as a whole. However, while Hoxne experienced a decline in the population of those aged 85 and over, Mid Suffolk and England both experienced an overall increase in population in this age band.

Table 5-5: Rate of change in the age structure of Hoxne population, 2001-2011

Age group	Hoxne	Mid Suffolk	England
0-15	2.0%	3.9%	1.2%
16-24	28.1%	13.9%	17.2%
25-44	-10.8%	-5.7%	1.4%
45-64	19.9%	22.7%	15.2%
65-84	19.4%	26.5%	9.1%
85 and over	-12.5%	35.7%	23.7%

Source: ONS 2001-2011, AECOM Calculations

5.3.2 Household composition

149. Household composition (i.e. the mix of adults and children in a dwelling) is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
150. In assessing Census data on household composition, the analysis suggests that Hoxne shares a similar profile to Mid Suffolk, given that both areas have a similar percentage of one person households and one family households.
151. 28% of Hoxne's household profile comprises one person households, of which 16% are households with individuals aged 65 and over. Next, roughly 69% of all households comprise of one family. Of the 69%, 24% of the households have no children, 24% have dependent children and approximately 8% have non dependent children.
152. This is similar to the profile of Mid Suffolk, where 25% of all households are one person households, of which roughly 13% are aged 65 and over. In the case of one family households, these make up 71% of Mid Suffolk's household profile, where approximately 23% have no children, 27% have dependent children and 9% have no dependent children.
153. Note that non-dependent children refer to households in which adult children are living at home, or students still call their primary residence despite living for most of the year near to university. Though this category can often indicate the relative unaffordability of entry-level homes in an area as many such young people may wish to move out and form their own households if they were financially able.

Table 5-6: Household composition (by household), Hoxne, 2011

		Hoxne	Mid Suffolk	England
One-person household	Total	28.1%	25.4%	30.2%
	Aged 65 and over	15.9%	12.9%	12.4%
	Other	12.2%	12.4%	17.9%
One family only	Total	69.3%	70.6%	61.8%
	All aged 65 and over	13.3%	11.6%	8.1%
	With no children	24.0%	23.3%	17.6%
	With dependent children	24.2%	26.6%	26.5%
	All children Non-Dependent	7.8%	9.1%	9.6%
Other household types	Total	2.6%	4.1%	8.0%

Source: ONS 2011, AECOM Calculations

154. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001 and 2011, the main changes in household composition were as follows:
- The percentage of one-person households decreased by 6.9% over the 10-year period. This deviates from both regional and national trends, given the percentage of one-person households increased by 17% in Mid Suffolk and 8.4% in England.
 - The percentage of one family households increased by 15.7%. There was also growth in Mid Suffolk and England. While the share of one family households aged 65 and over increased in Hoxne and Mid Suffolk, this percentage

decreased in England as a whole. Additionally, there was an increase in the percentage of households with children and non-dependent children both in Hoxne.

Table 5-7: Rates of change in household composition, Hoxne, 2001-2011

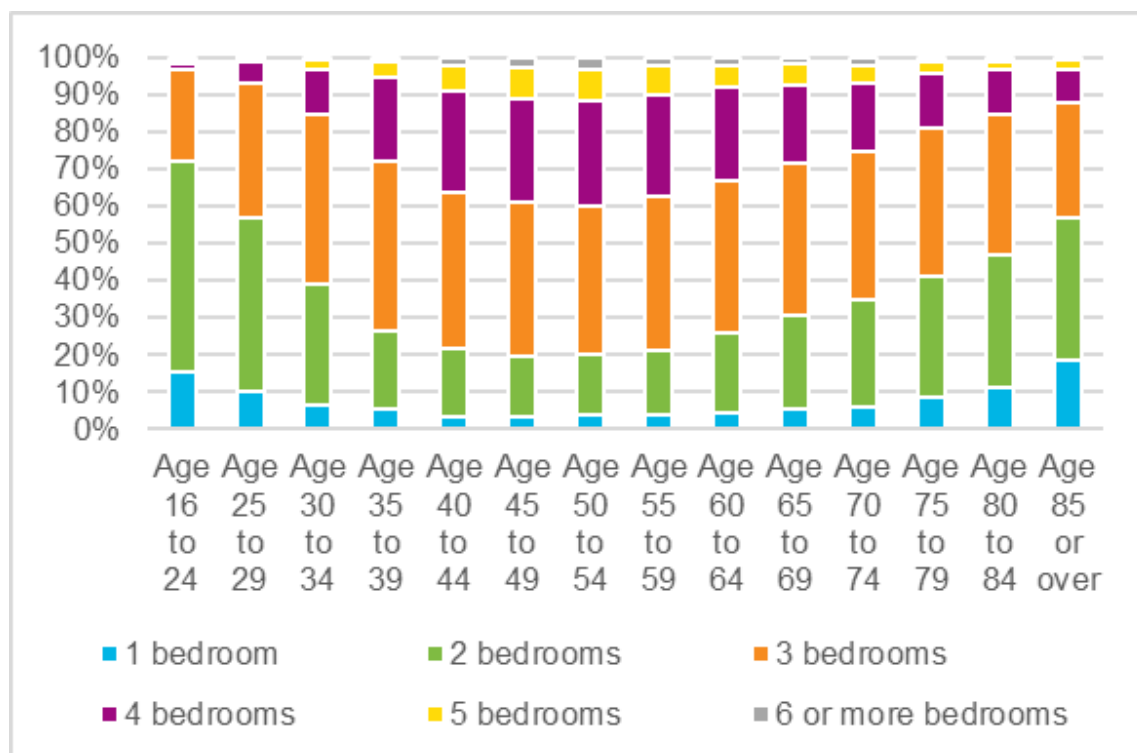
Household type		Percentage change, 2001-2011		
		Hoxne	Mid Suffolk	England
One-person household	Total	-6.9%	17.1%	8.4%
	Aged 65 and over	-16.4%	8.2%	-7.3%
	Other	9.3%	28.1%	22.7%
One family only	Total	15.7%	12.2%	5.4%
	All aged 65 and over	13.3%	12.9%	-2.0%
	With no children	29.6%	17.1%	7.1%
	With dependent children	2.2%	6.8%	5.0%
	All children non-dependent	30.4%	16.0%	10.6%
Other household types	Total	11.1%	24.3%	28.9%

Source: ONS 2001-2011, AECOM Calculations

5.4 Dwelling mix determined by life-stage modelling

155. Recognising the fact that households of different ages may have different housing needs, the housing mix needed to meet demographic change by the end of the Plan period is estimated by an approach based on current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in households aged under 24 will lead to an increase in the need for the type of housing currently occupied by households of that age.
156. It is important to keep in mind that this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the propensity of households to occupy more or less space than they 'need'. This approach also embeds existing patterns of occupancy which may or may not be desirable. This is particularly important to keep in mind in areas where housing affordability has worsened because it means that many households are forced to occupy less space than they need or want.
157. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LA-level data needs to be used as the closest proxy.
158. Figure below sets out the relationship in the 2011 Census at LA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that three-bedroom homes are the most common type of dwelling for 12 out of the 14 age bands. In case of those in the age bands 16-24 and 85 and over, two-bedroom homes are more common. Four-bedroom homes are more common for those between the ages of 45-60, as compared to other groups on each side of this age range. Finally, are the least common and are only seen amongst age bands 35-79.

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



Source: ONS 2011, AECOM Calculations

159. Household projections provided by MHCLG are then used to understand the future distribution of households by the age of the HRP. Again, this data is only available at the LPA level and for the years 2014 and 2039. Therefore, the distribution of households by the age of the HRP would be in 2036 is estimated, i.e. the end of the Neighbourhood Plan period. The data is presented in Table 5-8 below.

Table 5-8: Projected distribution of households by age of HRP, Hoxne

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	8	30	116	80	150
2014	8	31	112	77	177
2036	7	28	105	78	295

Source(s): MHCLG 2014-based household projections, ONS 2011, AECOM Calculations

160. It is then necessary to extrapolate from this LPA-level data an estimate of the corresponding change in the age structure of the population in Hoxne. To do so, the percentage increase expected for each group across Mid Suffolk derived from the data presented above was mapped to the population of Hoxne. The results of this calculation are detailed in Table 5-9 below:

Table 5-9: Projected distribution of households by age of HRP, Hoxne

Size	Age of HRP 16 to 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	15.6%	8.1%	3.8%	4.1%	9.0%
2 bedrooms	56.4%	38.7%	17.8%	19.7%	31.1%
3 bedrooms	24.8%	41.5%	42.2%	41.0%	38.6%
4 bedrooms	1.9%	9.5%	26.7%	26.3%	16.0%
5+ bedrooms	1.4%	2.2%	9.5%	8.9%	5.3%

Source: AECOM Calculations

161. Finally, having established the likelihood shown by households at different life-stages towards dwellings of different sizes in Figure 5-2 above, and the approximate number of households in Mid Suffolk and Hoxne falling into each of

these stages by the end of the Plan period in 2036 it is possible to estimate how the housing stock might evolve in terms of size over the Neighbourhood Plan period in response to demographic change (see Table 5-10 below).

162. The table takes in turn each projected age group in 2036 estimating how many of the households in that age bracket will want or need to occupy each size of dwelling. This is repeated for each age bracket and added together to arrive at an estimation of what proportion of each size of dwelling will be required overall.

Table 5-10: Likely dwelling size distribution in Hoxne by the end of the Plan period, based on modelled household life-stages (totals may not sum due to rounding)

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total Households requiring dwelling sizes
Pop	7	28	105	78	295	-
1 bedroom	1	2	4	3	27	37
2 bedrooms	4	11	19	15	92	140
3 bedrooms	2	12	44	32	114	203
4 bedrooms	0	3	28	20	47	98
5+ bedrooms	0	1	10	7	16	33

Source: Census 2011, AECOM Calculations. Figures may not sum due to rounding

163. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in the table above modelling the change in the age structure of the population in Hoxne.
164. Table 5-11 below indicates that, by 2036, the size distribution of dwellings should be as follows: there should be a slightly smaller percentage of one-bedroom homes and homes with five or more rooms in Hoxne, and there should be an increase in the percentage of two-bedroom homes. The share of three- and four-bedroom homes should increase only slightly.

Table 5-11: 2011 housing sizes compared to likely distribution at end of Plan period, Hoxne

Number of bedrooms	2011	2036
1 bedroom	48 12.5%	37 7.2%
2 bedrooms	80 20.8%	140 27.4%
3 bedrooms	148 38.5%	203 39.6%
4 bedrooms	69 18.0%	98 19.2%
5 or more bedrooms	39 10.2%	33 6.5%
Total households	384 100.0%	512 100.0%

Source: Census 2011, AECOM Calculations

165. Table 5-12 below sets out the estimated misalignment between future demand for housing, based on the modelled preferences of households at different life-stages, and the current stock available in the Neighbourhood Plan area.

Table 5-12 : Future potential misalignments of supply and demand for housing, Hoxne

Number of bedrooms	2011	2036	Change to housing mix	Recommended split
1 bedroom	48	37	-11	0.0%
2 bedrooms	80	140	60	41.7%
3 bedrooms	148	203	55	38.0%
4 bedrooms	69	98	29	20.3%
5 or more bedrooms	39	33	-6	0.0%

Source: AECOM Calculations

166. The result of this life-stage modelling exercise is to suggest that, in terms of demographic change, new development might involve the following share of dwelling sizes: 0% as 1 bedroom, 41.7% as two bedrooms, 38% as three bedrooms, 20.3% as four bedrooms and 0% as five or more bedrooms.

167. It is also relevant to note that as per Mid Suffolk's Housing Register²⁹, applicants primarily requested one-two bedroom homes between 2014-2020. While our calculations do not recommend further one-bedroom homes, it is important that neighbourhood planners note the consistent demand for one-bedroom homes among those in need of affordable housing and consider it a part of the suggested mix. AECOMs overall recommendation is to increase the supply of smaller homes in the NA (one-two bedroom dwellings), while limiting the supply of large homes with five or more bedrooms.
168. It is worth noting that this model generates results purely on the basis of demography, rather than affordability. Given the need to increase affordability in the NA generally (in addition to the specific need for one-bedroom homes for affordable rent), implies that smaller homes are required overall.
169. Note that only the percentage mix in the right-hand column is relevant to the purposes of this HNA and the neighbourhood planning process. The actual numbers of dwellings required to adjust the size mix do not reflect that actual quantity of housing needed in the NA and are simply a step in the calculation necessary to produce a percentage split. As a general point, this dwelling mix in percentage terms stands alone from the overall quantity of housing needed or allocated over the Plan period, and could equally apply to windfall development, allocations beyond the plan period, or any other source of housing supply.

5.5 Conclusions- Type and Size

170. This analysis provides an indication of the likely need for different types and sizes of homes based on demographic change. 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 characteristics of the existing stock of housing, the role of the NA or site within the wider housing market area (linked to any LA strategies or plans) and site specific factors which may justify a particular dwelling mix.
171. In terms of dwelling type, the 2011 Census shows that there were 384 households in Hoxne, living in 199 detached houses, 120 semi-detached, 60 terraced houses, and 28 flats.
172. In terms of dwelling size, the housing stock in Hoxne is characterised by a relatively large percentage of medium-large homes. 16.1% of all homes in Hoxne have nine or more rooms. The bulk of Hoxne's housing stock is comprised of homes with 4 or more rooms—that is, roughly 88.5%.
173. Between 2001-2011, there were several changes to the housing stock in neighbourhood. First, there was an increase in the numbers of both three-room homes, seven-room homes and homes with eight or more rooms. Second, there was a 14% decline in the percentage of five room homes. Next, there was a 8.2% decline in the percentage of six room homes. However, there continued to be no one-room homes in the neighbourhood area.
174. As compared to Mid Suffolk, Hoxne experienced similar changes overall, that is, growth in the numbers of large homes, with seven or more rooms. In Mid Suffolk, the percentage of homes with seven or more homes increased by 59% between 2001 and 2011, while in Hoxne, the percentage of homes with seven or more rooms increased by 54%.
175. In terms of demographic change, the 2011 Census data reveals that 30% of Hoxne's population is between the ages of 45-64. As the time of the 2011 Census, this was the largest age group in Hoxne. Next, roughly 27% of Hoxne's population was aged 65 and above in 2011. Given these formed 57% of Hoxne's age structure in 2011, it is fair to say that the NA has a rapidly aging population, given that several members from these groups have now entered the age bands 65-84 and 85 and over.
176. Compared to its wider geographies, Hoxne experienced a relatively similar rate of change as Mid Suffolk, in terms of the share of individuals between the ages of 45-84 increasing over the period. The growth seen in both the NA and LPA in this band is higher than the rate of change in England as a whole. However, while Hoxne experienced a decline in the population of those aged 85 and over, Mid Suffolk and England both experienced an overall increase in population in this age band.
177. In assessing Census data on household composition, the analysis suggests that Hoxne shares a similar profile to Mid Suffolk, given that both areas have a similar percentage of one person households and one family households. 28% of Hoxne's household profile comprises one person households, of which 16% are households with individuals aged 65 and over. Next, roughly 69% of all households comprise of one family. Of the 69%, 24% of the households have no children, 24% have dependent children and approximately 8% have nondependent children.

²⁹ Information shared with AECOM via email.

178. The result of a life-stage modelling exercise suggests that, in terms of demographic change, new development might involve the following share of dwelling sizes: 0% as 1 bedroom, 41.7% as two bedrooms, 38% as three bedrooms, 20.3% as four bedrooms and 0% as 5 or more bedrooms.
179. In other words, by 2036 the size distribution of dwellings should involve a slightly smaller percentage of one-bedroom homes and homes with five or more rooms in Hoxne, and there should be an increase in the percentage of two-bedroom homes. The share of three- and four-bedroom homes should increase only slightly, bearing in mind increasing population that will require this size of accommodation.
180. It is also relevant to note that as per Mid Suffolk's Housing Register, applicants primarily requested one-two bedroom homes between 2014-2020. While our calculations do not recommend further one-bedroom homes, it is important that neighbourhood planners note the consistent demand for one-bedroom homes and consider it a part of the suggested mix. AECOMs overall recommendation is to increase the supply of smaller homes in the NA (one-two bedroom dwellings), while limiting the supply of large homes with five or more bedrooms.

6. RQ 3: Specialist housing for older people

RQ 3: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

6.1 Introduction

181. This chapter considers in detail the specialist housing needs for older and disabled people in Hoxne. It considers the quantity, tenure and size of dwellings that might be required. It is important to keep in mind that there is no formal definition of 'old age'. People experience ageing differently and much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age whilst others may need support and care much earlier in their lives. It is useful to think of two main stages in later life: the '3rd age' – where people are healthy and active and may or may not continue to work and the '4th age' – where older people need care and support to meet their health needs.³⁰ These two stages are not necessarily related to age though most people in advanced old age (85+) will need care or support at some point in their lives. The housing needs of these two groups can be markedly different.
182. In the Planning Practice Guidance (PPG), the Government states that plans need to provide for specialist housing for older people where a need exists. Innovative and diverse housing models will need to be considered where appropriate.³¹
183. It is important to note that, as stated in the PPG, the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the overall (i.e. the total) housing need figure. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method.³²
184. In considering the need or demand for specialist housing for older people it is appropriate to consider the population aged 75+ since this group is more likely to access this type of housing. The needs of this sector of the population have been assessed through two methods. The first is a tenure-led projection, based on the tenure of dwellings typically occupied by people in this age group. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network's (HLIN) Strategic Housing for Older People (SHOP) tool³³, which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
185. Housing needs assessment covers the need for houses that fall for the purposes of the planning system into Use Class C3 (private dwellings)³⁴. Any assessment of need for residences that fall into Use Class C2 (residential institutions, which include prisons, boarding schools and some care homes for the elderly) would be a separate exercise outside the scope of a standard HNA. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. In some cases, extra care schemes, particularly those where independent living is emphasised and care provision is more limited, will be counted as C3. However, in other cases, particularly where care provision is higher, they will be counted as C2. There is no hard and fast rule- clear differentiation between the two has not been set in government policy.
186. As such, existing and future specialist housing for older people may be either C2 or C3, but the important point is that it is not possible to state definitively at the time of assessment whether any new provision forecast to be needed on the basis of current evidence will fall into use class C2 or C3. The distinction is important because accommodation in C2 buildings does not count towards the overall housing target for the neighbourhood plan areas whereas C3 accommodation units do. Therefore, it is not possible to state at this point the extent of overlap, if any, between the overall quantity of specialist housing forecast to be required and the overall housing quantity figure for the plan area.

³⁰ University of Sheffield & DWELL (2016) Designing with Downsizers

³¹ See Paragraph: 012 Reference ID: 63-012-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

³² See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

³³ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

³⁴ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

6.2 Housing for older people - context

187. MHCLG's guidance on housing for older and disabled people states that the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million.
188. Almost a third of UK homes are occupied by the 55+ age group, yet only 7% of UK stock is currently recognised as meeting minimum accessibility standards, which means few older people can find options that will improve their quality of life. This is reflected in evidence that just 3.4% of 50+ households move home each year, which is half as many moves as rest of population. Perhaps surprisingly, just under half of moves result in fewer habitable rooms because many older people need or want to retain space for activities, to retain a life time of possessions, accommodating visitors or caring for grandchildren. For some, social status can be a in deciding to move to a home with significantly fewer rooms.³⁵
189. The concept of 'rightsizing' (formally referred to as downsizing) recognizes that the situations, desires and needs of the older population are no less diverse than their family circumstances. The actual choices available to older people, however, are limited to the housing provisions that are both available and accessible to them. Not surprisingly the vast majority of older people currently tend to age in place until circumstances mean their home environment becomes a decisive barrier to their well-being. Research indicates that very few properties are designed to support ageing in place (see below). Thus whilst many people do not wish to move home, there is also evidence that there is large scale unmet demand to move³⁶ with many older people stuck in a 'rightsizing gap'.³⁷
190. A Demos survey of over 60s conducted in 2013 found a "considerable appetite" amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.³⁸
191. Indeed, 76% of those in homes of three or more bedrooms wished to rightsize, and this increased to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.³⁹ However, in spite of evidence of high demand, currently only 5% of older people's housing is made up of specialist homes,⁴⁰ with Demos suggesting that, "the chronic under-supply of appropriate housing for older people is the UK's next housing crisis",⁴¹ and local authorities are often, "accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs".⁴² Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately do is likely to be relatively low, and many who downsize may move into mainstream housing.
192. Offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an understanding of how the ageing population in Hoxne affects housing needs is something to be considered from the early stages of plan-making through to decision-taking.⁴³
193. The need to access housing with support or care is often driven by health considerations, particularly disabilities. Disabilities can include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs, which may generate a range of housing requirements which can change over time. Unsuitable housing or housing which is not capable of adaptation can have a negative impact on occupants and their carers. Disability is strongly linked to age and an ageing population will see the numbers of disabled people continuing to increase. It is important to plan early to meet their needs throughout their lifetime.

³⁵ Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

³⁶ Pannell et al., 2012

³⁷ Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

³⁸ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³⁹ Ibid.

⁴⁰ https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

⁴¹ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

⁴² <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

⁴³ Available at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

194. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both market housing and more specialist accommodation. The latest PPG⁴⁴ adopts the following planning approach:
- a. Where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the National Planning Policy Framework) to help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:
 - i. M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement)
 - ii. M4(2) Category 2: Accessible and adaptable dwellings
 - iii. M4(3) Category 3: Wheelchair user dwellings
 - b. Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site specific factors.
195. In the case of Hoxne, this HNA, together with any local housing survey conducted, will form the evidence required to justify policies proposing the Category 2 or 3 standards above for both market and affordable housing and the two main types of specialist housing for older people - sheltered housing and extra care (see Appendix B for definitions).
196. In 2014, there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.⁴⁵ This situation reflects historic patterns of development, significant constraints on the delivery of such housing in the market sector as well as changing aspirations and expectations amongst older people today in comparison with previous generations.
197. Local planning authorities can plan for older co-housing communities through their implementation of the Self-build and custom-build legislation 2015⁴⁶, as some communities will be looking to build the development themselves. Local authorities can also identify sites suitable for older co-housing communities as part of their overall assessment of land available for housing over the plan period.⁴⁷
198. Given that the vast majority of people over 75 live in their own homes, but that the current stock is primarily for social rent, AECOM has developed a 'tenure-led' approach to calculating the need for specialist housing, which also takes into account the health and mobility of population of the Neighbourhood Plan area so as to develop projections for future need for specialist housing provided with some level of care or other services.

6.3 Approach

199. In accordance with NPPF guidance, this chapter applies a three stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of elderly people in the Neighbourhood Plan area, and Census data relating to mobility limitations and overall health.⁴⁸ These are then compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across Mid Suffolk.
200. Clearly, this calculation represents an assumption, with the actual decision for an older or disabled person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of older people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of older people currently choose to continue to live in their homes for their entire lives.

⁴⁴ Housing for Older and disabled people, Guidance June 2019, MHCLG

⁴⁵ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf

⁴⁶ <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

⁴⁷ See Paragraph: 011 Reference ID: 63-011-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

⁴⁸ <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

201. The charity Age UK suggests that “inaccessible housing should not force anyone out of their home or local community against their wishes. It’s much better to have ‘pull factors’ that attract older people towards housing alternatives.”⁴⁹ By understanding the tenure breakdown of specialist housing need, it is possible to better understand the extent to which demand will be a factor in this market segment.

6.3.1 Current supply of specialist housing for older people

202. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. There are a number of ways to do this. Data may be available within Mid Suffolk’s housing evidence base. Alternatively, data may be collated manually on the amount of specialist housing within a given area using the search function on the Elderly Accommodation Counsel’s Website: <http://www.housingcare.org>.

203. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.⁵⁰ This is because for the purposes of the UK planning system, such institutions occupy a different land-use class from other housing (use class C2, which comprises residential institutions, versus C3, which comprises private dwellings)⁵¹. However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this Housing Needs Assessment. Having said this, we will note the existing provision of such institutional accommodation where it exists in Hoxne.

204. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Hoxne, it identified 27 residents living in care homes with nursing and 0 in care homes without nursing.⁵²

205. Given that communal establishments (care homes) are generally outside the scope of housing needs assessments for the reasons described above, these are discounted from this analysis, and the remaining specialist housing for the older, which should be within use class C3 and thus within the scope of this assessment, is presented in Table 6-1 below. This gives a total of 1 specialist dwellings (or bed spaces), for a 2011 population aged 75+ of 111. This suggests the actual rate of provision in Hoxne is approximately 9 dwellings per 1000 population aged 75+.

Table 6-1: Existing specialist housing for the elderly (excluding care homes) in Hoxne

	Name	Description	Bed spaces	Tenure	Type
1	St. Edmund House	St.Edmund House is a retirement home located at Cross Street, Heckfield Green in Hoxne.	20 flats with one bedroom each	Rent	Retirement Housing

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

6.3.2 Tenure-led projections

206. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Mid Suffolk, as this is the smallest geography for which tenure by age bracket data is available. The age cohort-based approach is taken because it is these households which, over the next 20 years, will be reaching the age of 75+, where the need for specialist housing provision is more likely. The existing tenure split within this cohort is used to project forward the need for specialist housing according to different tenure.

207. The projection is based on the premise that those currently occupying their own home will also 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 accommodation of some kind.

208. According to Table 6-2 below, roughly 89.4% of all households between the ages of 55-75 own their homes. Of this percentage, 65.5% own their homes outright and approximately 23.9% own their homes with a mortgage, loan or as

⁴⁹ See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

⁵⁰ Further details on the definition of different types of housing within the English planning system are available at <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

⁵¹ See Paragraph: 009 Reference ID: 13-009-2014

0306 at <https://www.gov.uk/guidance/when-is-permission-required>

⁵² ONS, 2011 (KS405EW)

shared ownership. The table also shows that 10% of the households in this group rent their homes, of which almost 9.7% lived in social rented homes. Almost 0.8% of households rent on the market and 0.1% live rent free. From the table, it is evident that most households falling in the age band own their homes outright, while living rent free is the least common.

Table 6-2: Tenure of households aged 55-75 in Mid Suffolk, 2011

All owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living rent free
89.4%	65.5%	23.9%	10.6%	9.7%	0.8%	0.1%

Source: Census 2011

209. The next step is to project how the overall number of older people in Hoxne is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Mid Suffolk at the end of the Plan period. The figure must be extrapolated from the LPA data because such projections are not available at neighbourhood level. The results are set out in Table 6-3 below.

210. This calculation indicates that Hoxne's elderly population is likely to increase by almost 120%. This is because our calculations indicate that the percentage share of people over the age of 75 in Hoxne is likely to rise from 12.5% to 24% by the end of the plan period. This projected increase is likely to be higher than the predicted increase for Mid Suffolk, where the population of those aged 75 and over is anticipated to rise from 9.1% to 17.5% by the end of the plan period.

Table 6-3: Modelled projection of elderly population in Hoxne by end of Plan period

Age group	2011		2036	
	Hoxne (Census)	Mid Suffolk (Census)	Hoxne (AECOM Calculation)	Mid Suffolk (ONS SNPP 2014)
All ages	889	96,731	1,022	111,180
75+	111	8,834	244	19,430
%	12.5%	9.1%	23.9%	17.5%

Source: ONS SNPP 2016, AECOM Calculations

211. The results of this exercise provide us with a projection of the number of people in Hoxne living in each tenure in the 55-75 cohort by 2011, as shown in the table below. This projection is calculated by multiplying the projected number of people aged 75 and over by the end of the Plan period by the tenure split for Mid Suffolk presented in Table 6-3 above and is set out in Table 6-5 below.

212. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2036, and consequently the number of specialist units they might need, the growth in the overall population of those aged 75 is used. As per our calculations, there will be an anticipated increase of 133 people by 2036.

Table 6-5: Projected tenure of households aged 75+ in Hoxne to the end of the Plan period

Owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
119	87	32	14	13	1	0

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

213. The population figures in Table 6-5 above are then translated into households, as set out in Table 6-6 below. The translation factor used was 1.4 persons per household, which was the rate in Mid Suffolk for people aged over 75 in the Census 2011.

Table 6-6: Projected tenure by household aged 75+ in the NA by the end of the plan period

Owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
85	62	23	10	9	1	0

214. Next the incidence of mobility limitations is considered, as defined by the Census, within each tenure group for those aged 65+ in Hoxne. This allows us to link the levels of need (as defined by extent of mobility limitations within the population) to tenure (based on the premise that such needs can be used as a proxy for the need for specialist housing in this age group).
215. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives. 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 6-4: Tenure and mobility limitations of those aged 65+ in Hoxne, 2011

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories: Tenure	42	19.7%	54	25.4%	117	54.9%
Owned or shared ownership: Total	24	15.0%	34	21.3%	102	63.8%
Owned: Owned outright	23	17.0%	31	23.0%	81	60.0%
Owned: Owned with a mortgage or loan or shared ownership	1	4.0%	3	12.0%	21	84.0%
Rented or living rent free: Total	18	34.0%	20	37.7%	15	28.3%
Rented: Social rented	13	39.4%	13	39.4%	7	21.2%
Rented: Private rented or living rent free	5	25.0%	7	35.0%	8	40.0%

Source: DC3408EW Health status

216. Focusing on those whose activities are limited a lot, the calculations suggest that of the 10 renters and 85 owners in Hoxne in this age group, there could be a need for 3 specialist homes for owner occupiers and 13 for renters of all kinds or 16 new specialist homes for those in this group.
217. These findings are set out in the table below, 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.

Table 6-5: AECOM estimate of specialist housing need in Hoxne by the end of the Plan period

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) housing by the percent in that tenure who have day to day activity limitations limited a lot.	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a lot.	16
	3	13	
Adaptation s, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent who have day to day activity limitations limited a little.	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a little.	22
	4	18	
Total	7	31	38

Source: Census 2011, AECOM Calculations

218. The number of households falling into potential need for specialist accommodation is therefore 38, which is 40% of the 95 households in total aged 75 and above projected to live in Hoxne by the end of the Plan period.

6.3.3 Housing LIN-recommended provision

219. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the respected models for planning for the housing needs of older people. In Table 6-6 below we reproduce the key table from their Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide, based on best

practice research, to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

Table 6-6: Recommended provision of specialist housing for older people from the 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

220. As Table 6-5 shows, Hoxne is forecast to have an over-75 population of 244 total people over the age of 65 (which represents a growth of 133) by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 133/1000 = 8$
- Leasehold sheltered housing = $120 \times 133/1000 = 16$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 133/1000 = 3$
- Extra care housing for rent = $15 \times 133/1000 = 2$
- Extra care housing for sale = $30 \times 133/1000 = 4$
- Housing based provision for dementia = $6 \times 133/1000 = 1$

221. This produces an overall total of 33 specialist dwellings which might be required by the end of the plan period. Table 6-7 below sets out the HLIN recommendations in the same format as Table 6-6 above. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates. This means that the requirements expressed by the SHOP toolkit are higher than those implied by a straightforward projection based on the growth of the over 75 population.

Table 6-7: HLIN estimate of specialist housing need in Hoxne by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing-based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	9
	4	5	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	24
	8	16	
Total	12	21	33

Source: Housing LIN, AECOM calculations

222. In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose lives are limited 'a little' in Table 6-4 (42 individuals) with 'sheltered housing' (24), even though both types of housing address the needs of those with relatively limited support needs. This is because there is a range of housing suitable for this group of the population including mainstream housing, whereas the HLIN identifies only sheltered housing specifically.

223. As per the data presented in this section, there are two projections for the number of specialist dwellings that should be provided in Hoxne—while our research estimated the number of households falling into potential need of specialist accommodation to be 38, the HLIN tool provides a value of 33. Thus, our recommendation would be to treat the outcome of these approaches as a range, with at least 33 specialist dwellings being required to service the needs of older people

over the Plan period, and the projection of 38 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.

6.4 Conclusions- Specialist Housing for the Older People

224. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Hoxne, it identified 27 residents living in care homes with nursing and 0 in care homes without nursing
225. As per the 2011 Census, roughly 89.4% of all households between the ages of 55-75 own their homes. Of this percentage, 65.5% own their homes outright and approximately 23.9% own their homes with a mortgage, loan or as shared ownership. The table also shows that 10% of the households in this group rent their homes, of which almost 9.7% lived in social rented homes. Almost 0.8% of households rent on the market and 0.1% live rent free. From the table, it is evident that most households falling in the age band own their homes outright, while living rent free is the least common.
226. By extrapolating from the ONS Sub-National Population Projections for Mid Suffolk at the end of the Plan period, we determined the percentage of older people within the population of Hoxne in 2036. This calculation indicates that the percentage share of people over the age of 75 in Hoxne is likely to rise from 12.5% to 24% by the end of the plan period. This projected increase is likely to be higher than the predicted increase for Mid Suffolk, where the population of those aged 75 and over is anticipated to rise from 9.1% to 17.5% by the end of the plan period.
227. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives. 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. Focusing on those whose activities are limited a lot, the calculations suggest that of the 10 renters and 85 owners in Hoxne in this age group, there could be a need for 3 specialist homes for owner occupiers and 13 for renters of all kinds or 16 new specialist homes for those in this group.
228. As per the data presented in this section, there are two projections for the number of specialist dwellings that should be provided in Hoxne—while our research estimated the number of households falling into potential need of specialist accommodation to be 9, the HLIN tool provides a value of 33. Thus, our recommendation would be to treat the outcome of these approaches as a range, with at least 33 specialist dwellings being required to service the needs of older people over the Plan period, and the projection of 38 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.
229. Based on the tenure categories across current supply, the net additional supply required can be deducted by tenure category from the Housing LIN-recommended targets. Table 6-9 provides the final recommendation.

Table 6-9: Tenure and type recommendation for additional specialist housing provision by the end of the plan period

Split	Tenure-led	HLIN
Affordable	18.9%	36.3%
Market	81.1%	63.7%
Higher care	42.5%	28.3%
Lower care	57.5%	71.7%

Source: Housing LIN, <https://housingcare.org>, AECOM Calculations

230. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor’s surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
231. 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 elderly housing needs arising

from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

232. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

7. Conclusions

7.1 Overview

233. Table 7-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

Table 7-1: Summary of study findings specific to Hoxne with a potential impact on Neighbourhood Plan housing policies

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	Chapter 4	<p>In terms of the current tenure profile of the neighbourhood, 64.6% of all households in Hoxne own their homes outright, which is lower than Mid Suffolk but slightly higher than England. Next, 18.8% of households in Hoxne are socially rent their homes, which is much higher than in Mid Suffolk, but only slightly higher than in England. In terms of private rent, 13.8% of households in Hoxne rent on the market, as compared to 11.2% in Mid Suffolk and 17.7% in England.</p> <p>Affordability is a challenge in Hoxne, with entry level house prices unaffordable to households on average incomes. Our analysis found that households with incomes between £27,560 and £80,679 are able to rent in the market but cannot buy, thereby suggesting the possibility of introducing affordable routes to home ownership.</p> <p>Rent to Buy is likely to be affordable to households able to afford average market rents and therefore may offer an affordable route to home ownership for households able to afford these rents. While entry-level rents are affordable to households on both mean incomes and LQ incomes, average market rents are only accessible to those on mean incomes.</p>	<p>The SHMA 2019 estimates that there will be need for 10.5 units of affordable rented housing and 8 units of affordable housing for sale in Hoxne over the Plan period. AECOM suggest this is likely to be the minimum need for affordable housing and in practice it may be higher if the backlog of households in need (eg on the housing register) are taken into account.</p> <p>Two indicative tenure mixes have been provided, which could serve as a guideline for the breakdown of Affordable Housing tenures in Hoxne based on various considerations and evidence. Mix 1 (indicative mix based on local needs) proposes that 71% of affordable homes be provided as rented tenures, and the remaining 29% delivered as affordable routes to home ownership. This mix aligns with the Local Plan in prioritising the most acute needs as far as possible. Mix 2 (indicative mix with 25% First Homes requirement) proposes that 71% of affordable homes be provided as rented tenures, with the remaining 29% as affordable routes to home ownership, of which 25% is delivered as First Homes. This aligns with the direction of proposed national policy, which includes a mandated minimum level of delivery of the Government’s new First Homes affordable home ownership product.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing type and size	Chapter 5	<p>In terms of dwelling type, the 2011 Census shows that there were 384 households in Hoxne, living in 199 detached houses, 120 semi-detached, 60 terraced houses, and 28 flats.</p> <p>In terms of dwelling size, the housing stock in Hoxne is characterised by a relatively large percentage of medium-large homes. 16.1% of all homes in Hoxne have nine or more rooms. The bulk of Hoxne’s housing stock is comprised of homes with 4 or more rooms—that is, roughly 88.5%.</p> <p>Between 2001-2011, there were several changes to the housing stock in neighbourhood. First, there was an increase in the numbers of both three-room homes, seven room homes and homes with eight or more rooms. Second, there was a 14% decline in the percentage of five room homes. Next, there was a 8.2% decline in the percentage of six room homes. However, there continued to be no one-room homes in the neighbourhood area.</p> <p>In assessing Census data on household composition, the analysis suggests that Hoxne shares a similar profile to Mid Suffolk, since both areas have a similar percentage of one person households and one family households. 28% of Hoxne’s household profile comprises one person households, of which 16% are households with individuals aged 65 and over. Next, roughly 69% of all households comprise of one family. Of the 69%, 24% of the households have no children, 24% have dependent children and approximately 8% have nondependent children.</p>	<p>The result of a life-stage modelling exercise suggests that, in terms of demographic change, new development might involve the following share of dwelling sizes: 0% as 1 bedroom, 41.7% as two bedrooms, 38% as three bedrooms, 20.3% as four bedrooms and 0% as 5 or more bedrooms.</p> <p>Our analysis further indicates that, by 2036, the size distribution of dwellings should be as follows: there should be a slightly smaller percentage of one-bedroom homes and homes with five or more rooms in Hoxne, and there should be an increase in the percentage of two-bedroom homes. The share of three- and four-bedroom homes should increase only slightly, bearing in mind increasing population that will require this size of accommodation.</p> <p>It is also relevant to note that as per Mid Suffolk’s Housing Register, applicants primarily requested one-two bedroom homes between 2014-2020. While our calculations do not recommend more one-bedroom homes, it is important that neighbourhood planners note the consistent demand for one-bedroom homes and consider it a part of the suggested mix. AECOMs overall recommendation is to increase the supply of smaller homes in the NA (one-two bedroom dwellings), while limiting the supply of large homes with five or more bedrooms.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Specialist housing for older people	Chapter 6	<p>The 2011 Census highlights the number of residents living in different types of communal establishments. Within Hoxne, it identified 27 residents living in care homes with nursing and 0 in care homes without nursing</p> <p>As per the 2011 Census, roughly 89.4% of all households between the ages of 55-75 own their homes. Of this percentage, 65.5% own their homes outright and approximately 23.9% own their homes with a mortgage, loan or as shared ownership. The table also shows that 10% of the households in this group rent their homes, of which almost 9.7% lived in social rented homes. Almost 0.8% of households rent on the market and 0.1% live rent free. From the table, it is evident that most households falling in the age band own their homes outright, while living rent free is the least common.</p>	<p>By extrapolating from the ONS Sub-National Population Projections for Mid Suffolk at the end of the Plan period, we determined the percentage of older people within the population of Hoxne in 2036. This calculation indicates that the percentage share of people over the age of 75 in Hoxne is likely to rise from 12.5% to 24% by the end of the plan period. This projected increase is likely to be higher than the predicted increase for Mid Suffolk, where the population of those aged 75 and over is anticipated to rise from 9.1% to 17.5% by the end of the plan period.</p> <p>Focusing on those whose activities are limited a lot, the calculations suggest that of the 10 renters and 85 owners in Hoxne in this age group, there could be a need for 3 specialist homes for owner occupiers and 13 for renters of all kinds or 16 new specialist homes.</p> <p>As per the data presented in this section, there are two projections for the number of specialist dwellings that should be provided in Hoxne—while our research estimated the number of households falling into potential need of specialist accommodation to be 38, the HLIN tool provides a value of 33. Thus, our recommendation would be to treat the outcome of these approaches as a range, with at least 33 specialist dwellings being required to service the needs of older people over the Plan period, and the projection of 38 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow</p>

7.2 Recommendations for next steps

234. This Neighbourhood Plan housing needs assessment aims to provide Hoxne 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 Mid Suffolk with a view to agreeing and formulating draft housing policies,

bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular the following: Condition A, namely that the Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of Mid Suffolk - in particular in relation to the quantity of housing that should be planned for;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents;
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Mid Suffolk, including but not limited to the Strategic Housing Land Availability Assessment (SHLAA);
- The recommendations and findings of this study; and
- The impact of the Government's Standard Methodology on calculating housing need for Mid Suffolk and the neighbourhood plan areas within it.

235. 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.

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

237. 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.

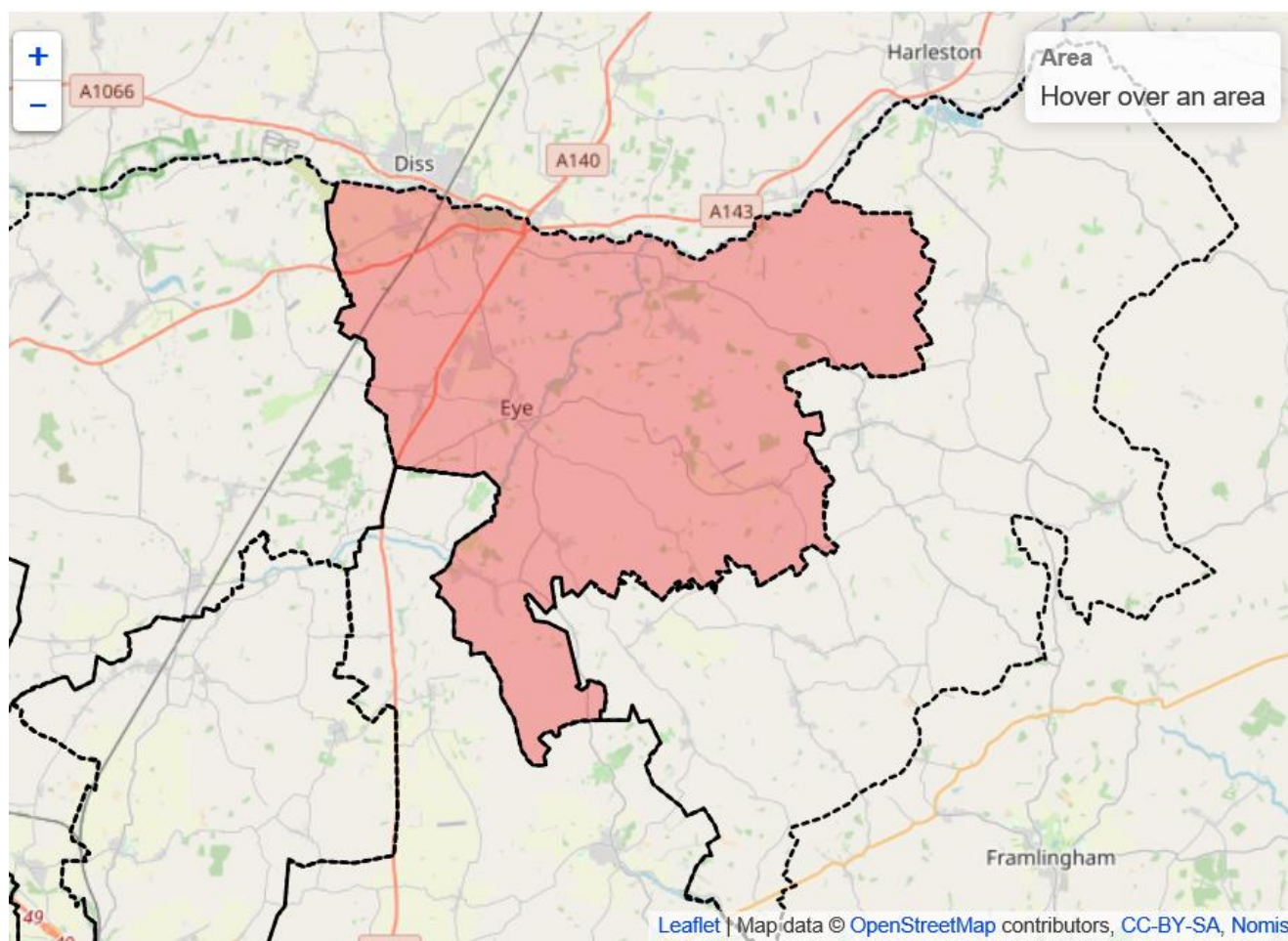
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

238. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Plan area. Such data is available at MSOA level but not at the level of neighbourhood plan areas.

239. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Hoxne, it is considered that MSOA E02006261 is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of MSOA E02006261 appears below in Figure A-1.

Figure A-1: MSOA E02006261 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

240. Market dwellings are accessible to people on higher incomes. Choices in the housing market are driven principally by spending power, life stage, and personal taste.

241. The operation of the housing market is, in most circumstances, the best means of addressing the demand for different types of housing for sale. For this reason, it is important that planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand, because this is the principal way equilibrium is achieved in the market and thus house price growth kept in check.

242. In this sense, the notion of development viability is essential. It is important not to deter development in the context of

clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.

243. To determine affordability in market housing, the assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

i) Market sales

244. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) 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.

245. To produce a more accurate assessment of affordability, both the savings available for a deposit and the equity in the home from which the buyer is moving (if not a first-time buyer) should be taken into account. However, this data is not available for Hoxne. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.

246. The value of an entry-level dwelling is considered the best representation of the segment of market housing most likely to be accessible to those on lower incomes.⁵³ The value of an entry level dwelling used here is the lower quartile average house price from sales data from Land Registry over the year 2019.

247. The calculation is therefore:

- Value of an 'entry level dwelling' = £313,750
- Purchase deposit = £31,375 @10% of value;
- Value of dwelling for mortgage purposes = £282,375
- Loan to income ratio = value of dwelling for mortgage purposes divided by 3.5;
- **Purchase threshold = £80,679**

ii) Private Rented Sector (PRS)

248. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rented property if the lower quartile private rent does not exceed 30% of gross household income.

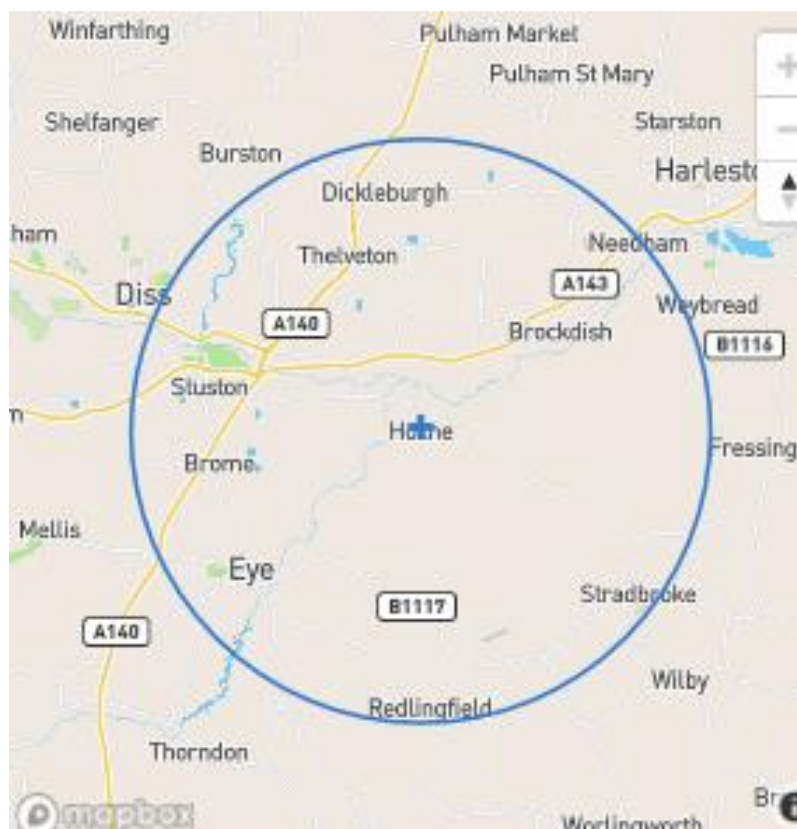
249. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,⁵⁴ such a home would require three habitable rooms (a flat or house with two bedrooms).

250. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the IP21 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. Figure A-2 below presents a screenshot of the area covered.

⁵³ 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Neighbourhood Plan area, as set out in the Tenure and Affordability chapter above.

⁵⁴ This is based on the concept of the 'room standard', which indicates a dwelling is legally overcrowded if two people of the opposite sex have to share a room to sleep in (this does not apply when couples share a room). See: http://england.shelter.org.uk/housing_advice/repairs/overcrowding

Figure A-2: Rental Values in IP21



251. According to [home.co.uk](https://www.home.co.uk), there are 5 two-bed properties currently listed for rent across IP21, with an average price of £869 per calendar month.

252. It is possible to derive from this data the estimated income threshold for private rental sector dwellings in the Neighbourhood Plan area; the calculation is therefore:

- Annual rent = £869 x 12 = £8,268
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = £27,560
- **Income threshold (private rental sector) = £27,560**

253. The NPPF 2019 acknowledges that build-to-rent dwellings have a role to play in providing affordable market homes and may meet affordable housing need where they include a component of affordable private rent.

A.3 Affordable Housing

254. There are a range of tenures that constitute the definition of Affordable Housing within the 2019 NPPF: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership.

255. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more households, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.

256. We consider each of the affordable housing tenures in turn.

i) Social rent

257. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual 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 low incomes and is subject to strict eligibility criteria.

258. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Hoxne. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Mid Suffolk in the table below.
259. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This HNA uses two-bedroom homes in the main report tables to illustrate affordability of this tenure. These homes are a good proxy for affordability in this tenure as they are typically the most numerous property size.

Table A-3: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£79.52	£93.20	£104.96	£116.34	£95.75
Annual average	£4,135	£4,846	£5,458	£6,050	£4,979
Income needed	£16,540	£19,386	£21,832	£24,199	£19,916

Source: Homes England, AECOM Calculations

ii) Affordable rent

260. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000). Even an 80% discount on the market rent may not be sufficient to ensure that households can afford it, 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%.
261. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Mid Suffolk (above). Again it is assumed that no more than 30% of income should be spent on rent.

Table A-4: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent PCM	£93.36	£108.55	£124.80	£140.97	£108.52
Annual average	£4,855	£5,645	£6,490	£7,330	£5,643
Income needed	£19,419	£22,578	£25,958	£29,322	£22,572

Source: Homes England, AECOM Calculations

iii) Intermediate tenures

262. Intermediate housing includes 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. They can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing.

Discounted Market Homes

263. In paragraph 64 of the NPPF 2019, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership”. The most recent proposals for ‘Changes to the current planning system’ suggest that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% requirement referenced above may be replaced by the First Homes requirement.
264. Whether to treat discounted market sale homes as affordable housing or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to access market housing for purchase.
- 265.

266. Applying a discount of 30% - as in the Government's proposed First Homes product – provides an approximate selling price of £343,000 (30% discount on median average prices of £490,000). Allowing for a 10% deposit further reduces the value of the property to £308,700. The income threshold at a loan to income ratio of 3.5 is £88,200.
267. In practice, developers are likely to price these homes in relation to new build prices, particularly in locations where discounting in relation to entry level prices may not make these homes viable to develop in relation to build costs. When new build prices are discounted by 30% they may not offer any discount on entry level prices.
268. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home. This would require an income threshold of £10,800, £75,600 and £63,000 respectively.

Shared ownership

269. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned over time.
270. 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.
271. To determine the affordability of shared ownership, calculations are based on the median house price of £387,500.⁵⁵ 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 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).
272. A 25% equity share of £387,500 is £96,875 which a 10% deposit of £9,688 is deducted. The mortgage value of £87,188 is then divided by 3.5. To secure a mortgage of £87,188, an annual income of £24,911 (£87,188/3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £290,625. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £7,266 and requires an income of £24,218 (multiplied by 3.33 so that no more than 30% of income is spent on rent). Therefore, an income of around £49,127 (£24,911 + £24,218) is required to afford a 25% shared equity purchase of an entry-level home. The same calculations were undertaken for equity shares of 50% and 75%, producing income thresholds of £65,967 and £82,805 respectively.

⁵⁵ It is important to note that current shared ownership models are only available for new build homes, which are assumed to cost more than this average taken from all open market housing, which also includes property re-sale.

Appendix B : 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 = £200,000/£25,000 = 8, (the house price is 8 times income).

Affordable Housing (NPPF Definition)

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

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods⁵⁶.

Age-Restricted General Market Housing

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

⁵⁶ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard⁵⁷

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

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order⁵⁸

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

Concealed Families (Census definition)⁵⁹

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

Equity Loans/Shared Equity

An equity loan which acts as a second charge on a property. For example, a household buys a £200,000 property with a 10% equity loan (£20,000). They pay a small amount for the loan and when the property is sold e.g. for £250,000 the lender

⁵⁷ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

⁵⁸ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁵⁹ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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

The Government is consulting on the introduction of First Homes as a new form of discounted market homes which will be provided at least 30% discount on new homes. The intention is that these homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments may be required to provide a proportion of Affordable Housing as First Homes (40-80%).

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms);

or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between more than one household, for example a shared kitchen, are not counted.

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years⁶⁰, 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

⁶⁰ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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 the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living "rent free". Around 20% of the private rented sector are in this category, which will have included some benefit claimants whose housing benefit at the time was paid directly to their landlord. This could mean people whose

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75%, 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 Housing⁶¹

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

Strategic Housing Land Availability Assessment

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

⁶¹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for the Elderly

Specialist housing for the elderly, sometimes known as specialist accommodation for the elderly, 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.⁶²

⁶² See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

