

# Harston

Housing Needs Assessment (HNA)

April 2023

## Quality information

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**List of acronyms used in the text:**

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

# 1. Executive Summary

1. Harston is a Neighbourhood Area (NA) located in the district of South Cambridgeshire in the East of England. The NA boundary corresponds to that of the civil parish of Harston and was designated in June 2022.
2. According to the 2021 Census Harston has a population of 1,831, indicating an increase of 102 individuals (6% growth) since the 2011 Census.
3. There has been some development in Harston in recent years. South Cambridgeshire District Council's (SCDC) completions data shows there have been 15 net new dwellings in Harston since 2011 suggesting a total of 737 dwellings presently. However, the Harston Neighbourhood Plan (HNP) Working Group advise that there have been closer to 58 new builds since 2011. Some of these involved demolishing older properties and replacing them with several new dwellings.
4. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the HNP Working Group at the outset of the research.
5. Data from the 2021 Census is being released throughout 2023. At present, the available data covers population (although not at the most localised level), households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections where necessary to build up evidence at the neighbourhood level.

## Conclusions – Tenure and Affordability

### Current housing stock

6. Harston has a higher rate of home ownership than the wider district and England. In common with the rest of South Cambridgeshire the parish has a higher than average rate of shared ownership (2.5% vs 1.0% nationally). The tenure grew by 80% since 2011. There are lower rates of social and private rents in the NA than in the wider geographies. Between 2011 and 2021 the parish saw decline a 10% in social rented accommodation and growth of 18% in private rents.

### Affordability

7. House prices have steadily increased over the past decade with the result that the average entry-level home now costs £173,500 more than in 2012. The average growth rate for all housing in Harston between 2012 and 2021 was 35%.

8. AECOM has estimated the annual income required to afford various tenures of housing in the parish – each of which is explained in detail in Appendix C. The average household income in Harston is £59,800, and the lower quartile income (per person) for South Cambridgeshire is £19,392.
9. Our calculations show that a household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home in the parish. Home ownership through the mainstream market is not an option for the majority of local people.
10. Average market rents are not affordable to any of the income groups considered, with entry-level market rents generally only affordable to average earning households. Households made up of one or two lower quartile earners cannot afford the given rental thresholds and would have to rely on affordable and social rents instead.
11. Broadly speaking, households earning between £51,500 (at which point entry-level rents become affordable) and £120,200 (at which point entry-level market sale homes become affordable) can afford to rent entry-level accommodation but cannot afford home ownership. This ‘can rent, can’t buy’ cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
12. Even at 50% discount applied, First Homes are unaffordable to those on average incomes. A 10% uplift in income would be required to make First Homes affordable to average earners in the NA. Therefore, it is suggested that the maximum 50% be pursued in the NA. Shared ownership appears to be slightly more affordable than First Homes, but is broadly accessible to the same group. If shared ownership is delivered at 10%-20% equity in the NA, it would be accessible to those on average incomes. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are more affordable options.

### **Affordable housing need**

13. The starting point for understanding the need for affordable housing in Harston is the ‘Housing Needs of Specific Groups’ (HNSG) study undertaken in October 2021, covering Cambridgeshire and West Suffolk. Pro-rating the HNSG’s estimates to Harston based on its share of South Cambridgeshire’s population suggests a need for 4.8 affordable homes for rent per annum (86 over the Plan period) and 1.2 for ownership (21 over the Plan period).
14. There are currently 42 households in need of Affordable Housing in Harston according to SCDC’s waiting list data.
15. SCDC provided an indicative HRF of 13 dwellings for Harston, assuming the adopted Local Plan policy applies (requires 40% AH contribution), up to 5 affordable units would be produced. However, if future development is realised on smaller infill sites, these would be unlikely to meet the threshold requirement of 10 dwellings (at which point affordable housing would be required). The adopted Local Plan does not provide an affordable housing tenure split but the emerging Greater Cambridgeshire Local Plan acknowledges the need to



comply with mandated 25% First Homes requirement and the NPPF requirements for 10% of all housing to be for affordable ownership.

16. On the basis of the evidence considered, the HNA suggests an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy. In this context, affordable rented tenures should be prioritised, especially taking into consideration the current waiting list and the lack of affordability in Harston. This HNA suggests that 25% of Affordable Housing in future developments is for affordable home ownership, all of which would be First Homes at 50% discount. Due to the 25% First Homes requirement, shared ownership is displaced within the NA. If a significant amount of affordable housing was being brought forward within the parish, the split could be increased to 30% affordable home ownership to allow for 5% of the Affordable Housing to be shared ownership at 10%-20% equity. Rent to buy does not feature in the recommended mix as it was considered the least affordable tenure locally. The remaining 75% is recommended to be for affordable/social rent, in a split determined by the Registered Provider.
17. The expected level of Affordable Housing delivery in Harston would not meet the need identified herein. Therefore, it is recommended that the policy requirement be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored. If the group considers exceeding the Local Plan affordable housing quota then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
18. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing. Rural exception sites seek to address the housing needs of the local community through affordable housing in perpetuity. The sites aim to be wholly affordable, with small numbers of market homes sometimes allowed at LA discretion to make the development viable. This would therefore be a way to increase the provision of Affordable Housing without being limited by small market developments where the affordable threshold is not met.

## Conclusions – Type and Size

### Current housing mix

19. Harston's housing stock is dominated by larger detached and semidetached homes (86% of stock). Recent completions have skewed the balance further towards larger homes. Larger, 4 bedroom plus, homes form almost half of the stock in Harston, with much lower proportions of medium (3 bedroom) homes at around a quarter of stock. Smaller homes (1-2 bedrooms) form about 23% of the total. The 2021 stock distribution is somewhat less balanced showing growth in larger homes and declines across smaller sizes with the proportion of medium properties remaining the same. This trend towards larger homes confirms the observations reported by the HNP Working Group and is likely to worsen the acute affordability issues identified in the previous chapter as larger detached homes tend to be less affordable.

### Demographics

20. The age structure of the population is a key indicator of the future need for housing. The 2021 Census data shows that the 45-64 age group constitutes the largest percentage of Harston's population at 31%. There are almost equal proportions of people aged 0-15, 25-44 and 65-84 (18-20% each). The 65-84 cohort grew the most (24%) in the intercensal period whilst the 25-44 cohort declined by 11%. Currently, the population profile slightly favours those aged 45+ with more residents aged 45+ (53%) than under 45 (47%). However, in terms of overall trend the older age groups are growing at faster rates than the younger ones. The decline in the 25-44 cohort may indicate that younger families are having to move out of the parish due lack of affordability. This also aligns with South Cambridgeshire District Councils' housing waiting list data which shows that most of the need for affordable housing is generated by people below 45 years of age.
21. While only around 47 residents are aged over 85 presently, today's large 45-84 age cohort is likely to produce an ageing population in 2041. Older people could become the largest source of demand for housing, whether they intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving needs. Applying South Cambridgeshire's household projections to Harston's population suggests that by 2041, the 65+ age group could nearly double, while all other age groups below 55, decline.

### Future needs

22. The results of the life-stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the Plan period in order to understand what should be built, suggests that new development might benefit from a strong focus on medium (3 bedroom) and smaller dwellings (2 bedroom).

There is less likely to be a requirement for more larger (4 bedroom plus) homes over the HNP period.

23. The overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller / medium sizes while market homes focus on mid-sized homes. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.
24. The parish may also benefit focussing on delivering more semis, terraces and flats as these tend to be more affordable than the detached homes prevalent in Harston. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Harston, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment (e.g. low-rise maisonettes that resemble terraces rather than blocks of flats). Other factors to consider include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

## **Conclusions – Specialist housing for older people**

25. Harston's stock of specialist accommodation for older people currently comprises 42 sheltered bungalows for social rent. The lack of other forms of older persons housing may present problems for those in need of specialist housing but are not eligible for social rented dwellings.
26. The 75+ age group formed around 8% of the parish's population in 2011 and currently forms around 10% . This category is expected to increase by 139 in the Plan period to make up 14% of the population in 2041. This is estimated to form into 101 households.
27. The two methods used to estimate the future need in Harston produce a range of 35 to 43 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
28. The majority of the need (72%), is identified for specialist market housing. More need is identified for sheltered housing at 63% than extra-care housing (37%).

However, extra-care may need to form a higher share given the present lack of this form of accommodation in Harston. The greatest sub-category of need was identified for market sheltered housing at 49% of the total. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

29. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
30. It is considered that Harston's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Harston entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Harston, Great Shelford which has a higher level of services (classed as a Rural Centre in the adopted Local Plan) and greater older persons housing provision is potentially suitable (i.e. to be the hub in the hub-and-spoke model) due to its proximity to Harston and its higher level of services and older persons housing. Trumpington may be another option due to its better level of services (south of Cambridge) and proximity to Harston.
31. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing.
32. Applying the HLIN SHOP toolkit rates for residential/ nursing homes for older people produces an estimated need for 9 care home bed spaces in the parish by 2041. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.
33. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with SCDC.
34. The emerging Greater Cambridge Local Plan (Policy H/SS) suggests that all new homes will be required to meet Category M4(2) and that 5% of affordable homes on sites with 20+ affordable homes will be required to meet Category M4(3), accommodating those who use wheelchairs. The evidence gathered here would appear to justify the HNP Working Group approaching the LPA to

discuss setting requirements on accessibility and adaptability at a District level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

## 2. Context

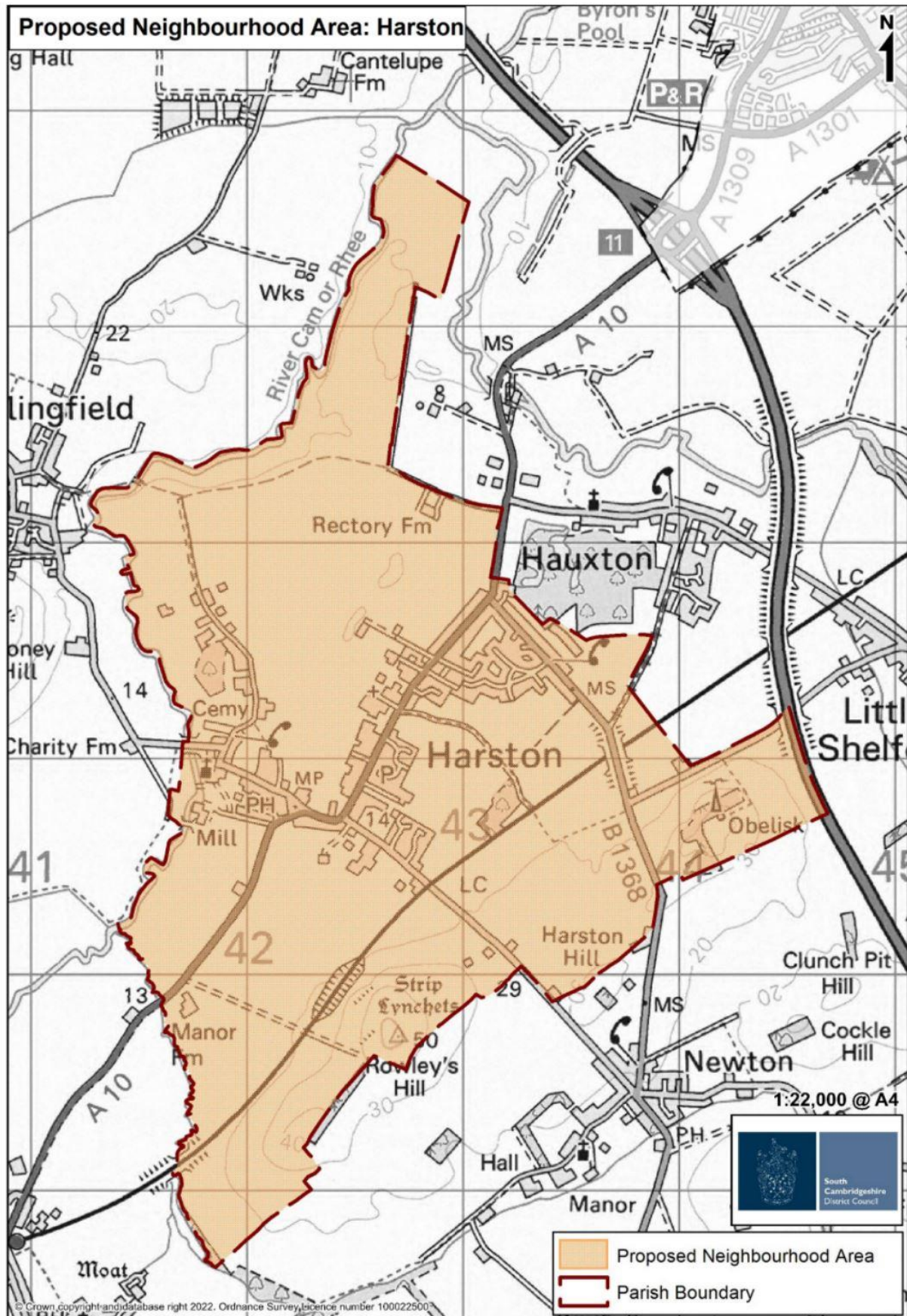
### Local context

35. Harston is a Neighbourhood Area (NA) located in the district of South Cambridgeshire in the East of England. The NA boundary corresponds to that of the civil parish of Harston and was designated in June 2022.
36. The Neighbourhood Plan is envisaged to start in 2023 and extend to 2041, therefore covering a period of 18 years. The evidence supplied in this report will look forward to the Plan end date of 2041, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
37. Harston is a village and civil parish in South Cambridgeshire, 5 miles south of Cambridge. The village is located on the A10 road, which provides links to Cambridge and the M11 motorway to the north, and Royston, Hertford and London to the south. The nearest railway station is located in Foxton, 1.6 miles southwest of the village.

### The NA boundary and key statistics

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

Figure 2-1: Map of the Harston Neighbourhood Area



Source: [www.harstonvillage.uk](http://www.harstonvillage.uk)

39. At the time of the 2011 Census the NA was home to 1,729 residents, formed into 698 households and occupying 722 dwellings. The 2021 Census data gives a figure of 1,831 – indicating population growth of around 102 individuals (or 6%) since 2011.
40. South Cambridgeshire District Council's (SCDC) completions data shows there have been 15 new dwellings in Harston since the 2011 Census suggesting a total of 737 dwellings presently.
41. Parish-level data from the 2021 Census is expected to be released in 2023, and will provide a more accurate picture of population and housing numbers.

## **The housing market area context**

42. Whilst this HNA focuses on Harston NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
43. In the case of Harston, the NA sits within the Cambridge Sub-Regional Housing Market Area (HMA) which includes Cambridge, South Cambridgeshire, East Cambridgeshire, Fenland, Huntingdonshire and West Suffolk<sup>1</sup>. This means that when households who live in these authorities move home, the vast majority move within this geography.
44. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Harston, are closely linked to other areas. In the case of Harston, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. Due to its proximity and transport links to Cambridge, settlements in South Cambridgeshire are experiencing high demand, particularly with buyers priced out of City's housing market looking for relatively more affordable properties.
45. In summary, Harston functions within a wider strategic area. As well as fostering good working relationships with the local planning authority South Cambridgeshire District Council, it is therefore useful to think about the role of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.



## Planning policy context

46. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.<sup>2</sup> In the case of South Cambridgeshire, the relevant adopted Local Plan consists of:
47. The South Cambridgeshire Local Plan which adopted in 2018 and covers the plan period 2011-2031.
48. A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the adopted and emerging Local Plan:
- The Adopted Local Plan Policy S/5 identifies an overall housing target of 975 homes per year for the district.
  - In Policy S/10 Harston is designated within Group Villages, which are considered less sustainable locations for new development, where limited development is envisaged to help maintain remaining services and facilities and provide for affordable housing to meet local needs. This approach remains unchanged in the emerging Greater Cambridge Local Plan.
  - Policy H/10 states that 40% of all new dwellings are expected to be delivered as Affordable Housing on sites larger than 10 homes. The mix of affordable tenures is to be determined based on local circumstances. The same proportion and threshold is contained in the emerging Plan but the suggested tenure mix is now at least 25% First Homes and the remaining up to 75% is to be informed by local evidence (Policy H/AH). The emerging policy adds that this *'should include an element of social rent homes in recognition that the Councils have been identified by the Government as areas of high affordability pressure.'*
  - Policy H/9 states that the dwelling size mix for affordable housing developments is to be determined by local housing needs evidence. Emerging Plan policy H/HM proposes the following size mix for Affordable Housing on developments of 10 or more units:

Tenure	1 bedroom	2 bedroom	3 bedroom	4 bedroom or more
Affordable ownership housing	15-25%	35-45%	25-35%	5-15%
Affordable rented housing	25-35%	35-45%	20-30%	0-10%

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

- Policy H9 sets out an expectation that 5% of new homes will be built to Category M4(2) accessibility standards. The provision is to be split evenly between affordable and market homes in a development. Emerging Plan policy H/SS requires 5% of homes on AH developments of 20 or more dwellings to be required to be Building Regulations M4(3) 'wheelchair user' dwellings. These are to be provided as Building Regulations M4(3)(a) 'wheelchair adaptable' dwellings unless the Council has identified a need for Building Regulations M4(3)(b) 'wheelchair accessible' dwellings.

## Quantity of housing to provide

49. The NPPF 2021 (paragraphs 66 and 67) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
50. South Cambridgeshire District Council has not provided Harston with a definitive housing requirement figure. The adopted local plan does not include a housing allocation in the NA nor does the emerging Greater Cambridgeshire Local Plan. However, the latter states (policy S/JH) that Local Plans should set out a housing requirement for designated neighbourhood areas – adding 'we currently apply the proposed approach on an informal basis to identify indicative housing requirements for designated areas, and we propose to formalise this approach by including it within the Local Plan'. This proposed approach sees neighbourhood plans contributing to meeting the number of homes we expect to come forward across the area during the plan period on windfall sites – sites not specifically identified in the local plan - and provides local communities with the opportunity to influence where such development goes. As such we are not relying on neighbourhood areas providing additional homes to meet our requirement.
51. In response to the HNP Working Group's request for a housing requirement figure (HRF), SCDC said they focused growth on settlements with more facilities (e.g. secondary schools) but they gave an indicative figure of 13 units. This is expected to be delivered through windfall sites.

## 3. Objectives and approach

### Objectives

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

### Affordability and Affordable Housing

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

### Type and Size

56. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.
57. The focus of this chapter is to identify relevant trends and potential gaps in the market that can be used to justify planning policies. It has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
  - To describe relevant characteristics of the local **population**; and
  - To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.
58. In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including

wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

## Specialist Housing for Older People

59. It may be appropriate for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons.
60. This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:
  - To review the **current provision** of specialist housing in the NA;
  - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
  - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
61. This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

## Approach

62. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:
  - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information at the neighbourhood level;
  - ONS population and household projections for future years;
  - Valuation Office Agency (VOA) data on the current stock of housing;
  - Land Registry data on prices paid for housing within the local market;
  - Rental prices from [Home.co.uk](https://www.home.co.uk).
  - Local Authority housing waiting list data; and
  - Housing Needs of Specific Groups Cambridgeshire and West Suffolk (Oct. 2021)
63. Data from the 2021 Census is being released throughout 2023. At present, the available data covers population (although not at the most localised level), households, tenure, and dwelling stock characteristics. Some data from the

Census 2021 at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.

## 4. Affordability and Affordable Housing

### Introduction

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

### Definitions

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

product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.<sup>3</sup>

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

## Current tenure profile

76. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
77. Table 4-1 presents data on tenure in Harston compared with South Cambridgeshire and England from the 2021 Census. This shows the parish has a larger proportion of owner occupation compared to the district and the national average. There are relatively fewer social rents than in the wider geographies. Similarly, the private rented sector forms a much smaller percentage in Harston; at around half the national average. The higher owner occupation combined with fewer social and private rents could adversely impact affordability in the parish. Notably the NA and the district have larger proportions of shared ownership tenures than the national average.

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

Tenure	Harston	South Cambs	England
Owned	73.8%	68.9%	61.3%
Shared ownership	2.5%	2.5%	1.0%
Social rented	13.0%	14.5%	17.1%
Private rented	10.8%	14.1%	20.6%

Sources: Census 2021, AECOM Calculations

78. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). The data shows a 10% decline in social rented homes with a 18% growth in private renting. The shared ownership sector grew by a substantial 80% in the same period; though this remains a relatively modest 18 units.

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

Tenure	2011	2021	% change
Owned	508	540	6.3%
Shared ownership	10	18	80.0%
Social rented	105	95	-9.5%
Private rented	67	79	17.9%

Sources: Census 2021 and 2011, AECOM Calculations

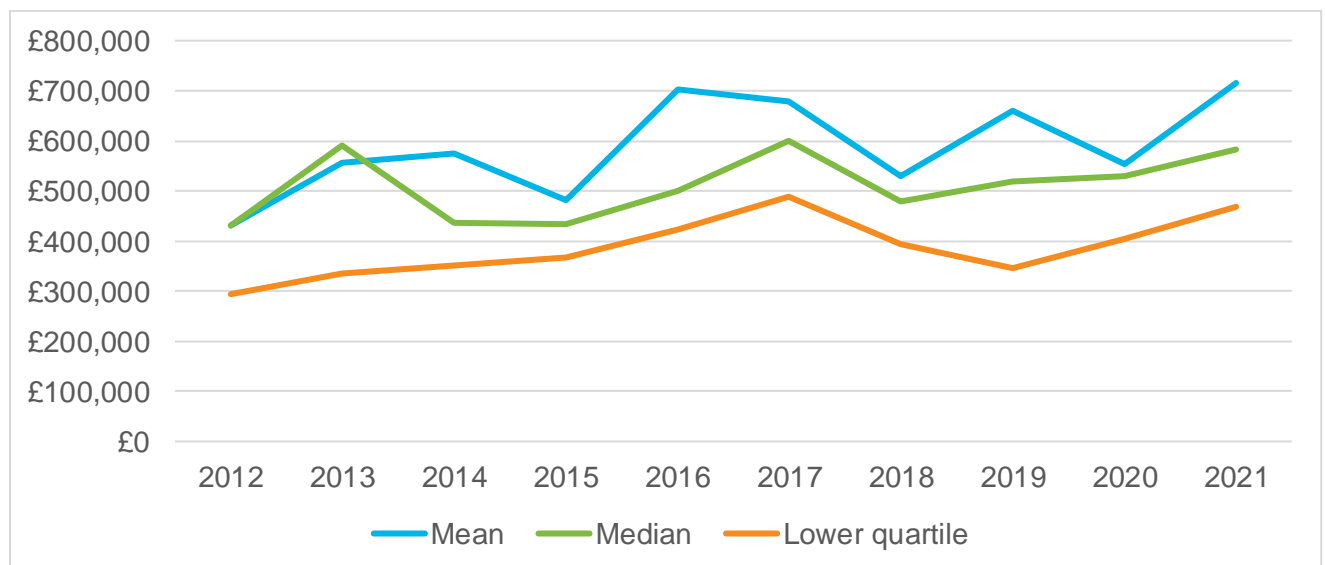
<sup>3</sup> The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

# Affordability

## House prices

79. 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.
80. Figure 4-1 looks at the average and lower quartile house prices in Harston based on sales price data published by the Land Registry. It shows that prices have increased substantially over the long term despite some year-on-year fluctuations. The mean, median and lower quartile prices grew by 66%, 35% and 59%, respectively over the past decade. There is a £115,000 (or 25%) price differential between the lower quartile property price (currently £467,500) and the median price (£582,500).
81. The mean value (£715,375) is derived by adding all the price paid data and then dividing by the total number of properties whereas, the median (£582,500), is the middle value when the data is ordered from smallest to largest. Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median. The mean and median values for Harston are 61% and 49% higher than the corresponding values for South Cambridgeshire indicating that property values are significantly higher in the parish compared to the wider district.

**Figure 4-1: House prices by quartile in Harston, 2012-2021**



Source: Land Registry PPD



82. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows an overall increase of 35% in the value of homes in Harston over the decade. Terraced properties experienced the highest rate of growth at 88%, followed by detached (20%) and semi-detached (35%) properties. There were insufficient flat sales in the NA to calculate the change in the values.

**Table 4-3: Median house prices by type in Harston, 2012-2021**

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£556,250	£646,250	£557,500	£590,000	£650,000	£763,500	£545,000	£805,000	£600,000	£670,000	20.4%
Semi-detached	£348,000	£351,250	£351,250	£371,500	£425,000	£464,000	£395,000	£332,000	£385,000	£470,000	35.1%
Terraced	£143,500	£192,000	£227,000	£297,750	£325,000	£409,250	£280,000	£387,500	£307,500	£270,000	88.2%
Flats	-	-	-	-	£215,000	-	-	£169,000	-	£117,500	-
<b>All Types</b>	<b>£431,000</b>	<b>£590,000</b>	<b>£437,500</b>	<b>£432,500</b>	<b>£501,250</b>	<b>£600,000</b>	<b>£478,000</b>	<b>£520,000</b>	<b>£530,000</b>	<b>£582,500</b>	<b>35.2%</b>

Source: Land Registry PPD

## Income

83. 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.
84. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £59,800 in 2018 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.
85. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. South Cambridgeshire's gross individual lower quartile annual earnings were £19,392 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £38,784.
86. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

## Affordability Thresholds

87. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.

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

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £59,800	Affordable on LQ earnings (single earner)? £19,392	Affordable on LQ earnings (2 earners)? £38,784
<b>Market Housing</b>						
Median House Price	£524,250	-	£149,786	No	No	No
Estimated NA New Build Entry-Level House Price	£461,207	-	£131,773	No	No	No
LQ/Entry-level House Price	£420,750	-	£120,214	No	No	No
LA New Build Median House Price	£384,750	-	£109,929	No	No	No
Average Market Rent	-	£21,936	£73,120	No	No	No
Entry-level Market Rent	-	£15,456	£51,520	Yes	No	No
<b>Affordable Home Ownership</b>						
First Homes (-30%)	£322,845	-	£92,241	No	No	No
First Homes (-40%)	£276,724	-	£79,064	No	No	No
First Homes (-50%)	£230,603	-	£65,887	No	No	No
Shared Ownership (50%)	£230,603	£6,406	£87,239	No	No	No
Shared Ownership (25%)	£115,302	£9,608	£64,972	No	No	No
Shared Ownership (10%)	£46,121	£11,530	£51,611	Yes	No	No
<b>Affordable Rented Housing</b>						
Affordable Rent	-	£7,625	£25,392	Yes	No	Yes
Social Rent	-	£5,890	£19,614	Yes	Marginal	Yes

Source: AECOM Calculations

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

### **Market housing for purchase and rent**

92. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income two and half times the current average. The estimated NA new build entry-level house price represents around a 10% premium over an entry level home in the existing stock.
93. Average market rents are not affordable to any of the income groups in Table 4-4. Entry-level market rents are generally only affordable to average earners. Those on single or dual lower quartile earnings are unable to afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

### **Affordable home ownership**

94. There is a relatively large group of households in Harston who can afford to rent smaller, entry-level homes privately but cannot afford to buy in the market. These are typically earning between £51,500 (the point at which entry-level rents become affordable) and £120,200 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from a range of affordable home ownership products such as First Homes and shared ownership tenures.
95. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
96. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It would appear that even the maximum 50% discount would not be quite sufficient to make First Homes affordable to average earners in Harston requiring a 10% uplift on average incomes. It is also worth noting that the discounted prices of First

Homes at 30%, 40% and 50% are all above £250,000 and therefore fail to meet the First Homes criteria. Therefore, either a greater discount is justified, developers would need to bring the price down, or smaller or lower value properties would be required than our assumed benchmark.

97. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the HNP working Group intend to set a higher First Homes discount level than that set at district level, further discussions with SCDC are advised.
98. Shared ownership (at lower equity shares) appears to be slightly more affordable than First Homes but is broadly accessible to the same group; households on average incomes. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.<sup>4</sup> If this is delivered in the NA, it will make shared ownership easier to access for average earners. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
99. Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to entry level rents, this would expand this route to home ownership quite significantly, including to average and potentially double lower quartile income groups. However, discounts on average rents would make Rent to Buy affordability, in terms of the household income required, comparable to First Homes and Shared Ownership. For some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.
100. These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:

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<sup>4</sup> The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
- Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

### **Affordable rented housing**

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

## Estimates of the need for Affordable Housing

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

### Evidence in the Housing Needs of Specific Groups report<sup>5</sup>

105. Cambridgeshire and West Suffolk LPAs recently commissioned a study examining the housing needs of specific groups for the period 2020-2040 with the intention of garnering evidence to inform their local plans. The Housing Needs of Specific Groups (HNSG) (Oct. 2021) study covers the Cambridge sub-regional HMA which includes Cambridge, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire and West Suffolk, estimates the HMA's need for affordable housing, older persons, disabled housing, student housing and the housing need of other groups. This study estimates the need for affordable housing in the district based on current Planning Practice Guidance (PPG) and the National Planning Policy Framework (NPPF 2021).
106. The HNSG identifies the need for 435 additional affordable rented homes (26% affordable to social) and 105 net need for affordable home ownership dwellings each year in South Cambridgeshire as a whole.
107. When the HNSG figures are pro-rated to Harston based on its fair share of the district's population (1.1% based on 2021 Census data), this equates to 4.8 affordable rented homes per annum or 86 homes over the Neighbourhood Plan period (2023-2041) and 1.2 affordable ownership homes per annum or 21 over the HNP period.
108. However, pro-rating district level estimates of affordable housing need to rural areas presents problems in practice. The Local Authority level figures are likely to represent higher needs in urban areas where there is a large social housing stock and larger numbers of households living in private rented homes on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural parishes like Harston the lack of social housing means there is no need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is difficult to identify need for social/affordable rented housing within Harston.
109. That said there are clearly several households currently in need in the NA as SCDC provided waiting list data showing 42 households with links to Harston currently on the Housing Register. As such it is recommended that Harston considers encouraging the delivery of some affordable rented housing to meet these identified needs.

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<sup>5</sup> [Cambridgeshireinsight.org.uk](https://www.cambridgeshireinsight.org.uk)

## **Additional evidence of Affordable Housing needs**

110. SCDC's housing waiting list data shows 42 households with connections to Harston currently in need of affordable rented housing. The highest need is for one-bedroom properties, followed by 2 and 3 beds. The HNP Working Group advise that much of the Council's housing stock has been sold over the years.
111. The HNP Working Group's housing survey<sup>6</sup> indicated a strong preference for affordable /starter homes (1-2 bedrooms), which attracted 60% of responses. Homes for growing families (2-3 bedrooms) attracted the next highest response (50%). Homes suited to older residents wishing to downsize (e.g. bungalows) attracted 43% of responses with sheltered housing and Care home accommodation attracting a 41% response (combined). Social rented housing attracted a 35% response. Larger (5 bedroom plus) homes attracted a 9% response.
112. The village is under significant development pressures due to its proximity to Cambridge, Addenbrookes Hospital and the Cambridge Biomedical Campus. The parish is constrained by a tight development boundary and the green belt which places additional pressures on land and property values.
113. There is concern regarding the lack of diversity of recent development in the NA as this has tended to produce large (4 bedroom plus) executive style housing.
114. There are relatively few bungalows available for older residents wishing to downsize as many have been demolished to make way for new larger dwellings.
115. All the above factors +are likely to exacerbate the lack of home affordability within the parish. This is particularly likely to impact younger residents /families wishing to remain in the parish and older residents wishing to downsize.

## **Affordable Housing policies in Neighbourhood Plans**

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

### **Application of Local Plan policies**

117. SCDC's adopted policy on this subject H/10 requires 40% of all new housing (on schemes over 10 units) to be affordable. The emerging Local Plan for Greater Cambridgeshire, which is currently only at the First Proposals stage, is also suggesting a 40% Affordable Housing requirement, but on sites of more than 9 dwellings. Given that no Affordable Housing has been delivered in Harston over the last decade (according to SCDC's completions figures), it is understood that this target is not usually met on sites in the NA.
118. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing

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<sup>6</sup> In response to the question "which type of housing do you think we need built in Harston in the future?"

in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

119. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is left as a matter to be informed by the latest evidence.

## **Affordable Housing at Neighbourhood level**

120. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Harston on the basis of identified housing need and a range of other considerations detailed in Appendix D.
121. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here and the acute affordability issues identified in the parish. In this context, affordable rented tenures should be prioritised, especially when considering the current waiting list of 42 households. This HNA suggests that 25% of Affordable Housing in future developments is for affordable home ownership, all of which would be First Homes. As discussed previously, even with the maximum 50% discount applied, First Homes are only affordable to those with (10%) above average incomes in the NA but this requirement would be in line with national mandated policy for 25% of all Affordable Housing delivery to be First Homes, as well as meeting the 10% NPPF requirement for affordable home ownership (as long as the 40% Local Plan requirement of Affordable Housing on sites is met). Rent to buy does not feature in the recommended mix as it was considered the least affordable tenure locally. The remaining 75% is recommended to be for affordable/social rent, in a split determined by the Registered Provider.
122. The requirement for 25% First Homes is in effect displacing the shared ownership tenure here. If a significant amount of affordable housing was to come forward within the NA, the split could be increased to 30% affordable home ownership to allow for 5% of the Affordable Housing to be shared ownership. Shared ownership at 10% equity is still only accessible to households on average incomes in Harston but is more affordable than First Homes at 50% discount and would require a smaller deposit. This would make this tenure potentially accessible to those with fewer savings. However, it should be remembered that the demand for affordable home ownership properties is largely from those that are adequately housed, such as in the private rented sector, and therefore affordable and social rented housing should be prioritised to provide housing to those most in need.
123. Where the HNP Working Group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between



renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with SCDC to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

**Table 4-5: Indicative tenure split (Affordable Housing)**

<b>Tenure</b>	<b>Indicative mix</b>	<b>Considerations and uncertainties</b>
<b>Routes to home ownership, of which</b>	<b>25%</b>	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	0%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	0%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
<b>Affordable Housing for rent, of which</b>	<b>75%</b>	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

*Source: AECOM calculations*

## Conclusions- Tenure and Affordability

### Current tenure profile

124. Harston has a higher rate of home ownership than the wider district and England. In common with the rest of South Cambridgeshire the parish has a higher than average rate of shared ownership (2.5% vs 1.0% nationally). The tenure grew by 80% since 2011. There are lower rates of social and private rents in the NA than in the wider geographies. Between 2011 and 2021 the parish saw decline a 10% in social rented accommodation and growth of 18% in private rents.

### Affordability

125. House prices have steadily increased over the past decade with the result that the average entry-level home now costs £173,500 more than in 2012. The

average growth rate for all housing in Harston between 2012 and 2021 was 35%.

126. AECOM has estimated the annual income required to afford various tenures of housing in the parish – each of which is explained in detail in Appendix C. The average household income in Harston is £59,800, and the lower quartile income (per person) for South Cambridgeshire is £19,392.
127. Our calculations show that a household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home in the parish. Home ownership through the mainstream market is not an option for the majority of local people.
128. Average market rents are not affordable to any of the income groups considered, with entry-level market rents generally only affordable to average earning households. Households made up of one or two lower quartile earners cannot afford the given rental thresholds and would have to rely on affordable and social rents instead.
129. Broadly speaking, households earning between £51,500 (at which point entry-level rents become affordable) and £120,200 (at which point entry-level market sale homes become affordable) can afford to rent entry-level accommodation but cannot afford home ownership. This ‘can rent, can’t buy’ cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
130. Even at 50% discount applied, First Homes are unaffordable to those on average incomes. A 10% uplift in income would be required to make First Homes affordable to average earners in the NA. Therefore, it is suggested that the maximum 50% be pursued in the NA. Shared ownership appears to be slightly more affordable than First Homes, but is broadly accessible to the same group. If shared ownership is delivered at 10%-20% equity in the NA, it would be accessible to those on average incomes. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are more affordable options.

### **The need for Affordable Housing**

131. Pro-rating the HNSG’s estimates to Harston based on its share of South Cambridgeshire’s population suggests a need for 4.8 affordable homes for rent per annum (86 over the Plan period) and 1.2 for ownership (21 over the Plan period).
132. There are currently 42 households in need of Affordable Housing in the NA according to SCDC’s waiting list data.

### **Policy considerations**

133. SCDC provided an indicative HRF of 13 dwellings for Harston, assuming the adopted Local Plan policy applies (requires 40% AH contribution), up to 5 affordable units would be produced. However, if future development is realised on smaller infill sites, these would be unlikely to meet the threshold requirement of 10 dwellings (at which point affordable housing would be required). The

adopted Local Plan does not provide an affordable housing tenure split but the emerging Greater Cambridgeshire Local Plan acknowledges the need to comply with mandated 25% First Homes requirement and the NPPF requirements for 10% of all housing to be for affordable ownership.

134. On the basis of the considerations outlined in this Chapter, an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy is suggested for Harston. In this context, affordable rented tenures should be prioritised, especially taking into consideration the current waiting list and the lack of affordability in the NA. This HNA suggests that 25% of Affordable Housing in future developments is for affordable home ownership, all of which would be First Homes at 50% discount. Due to the 25% First Homes requirement, shared ownership is displaced within the NA. If a significant amount of affordable housing was being brought forward within the parish, the split could be increased to 30% affordable home ownership to allow for 5% of the Affordable Housing to be shared ownership at 10%-20% equity. Rent to buy does not feature in the recommended mix as it was considered the least affordable tenure locally. The remaining 75% is recommended to be for affordable/social rent, in a split determined by the Registered Provider.

### **Delivery expectations**

135. Table 4-6 summarises Harston's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation, and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

**Table 4-6: Estimated delivery of Affordable Housing in Harston**

	Step in Estimation	Expected delivery
A	Residual housing requirement figure	13
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	5
D	Rented % (e.g. social/ affordable rented)	75%
E	Rented number (C x D)	4
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	25%
G	Affordable home ownership number (C x F)	1

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

136. This expected level of delivery does not meet the quantity of demand identified in estimates of the need for affordable housing. Therefore, it is recommended that the policy requirement be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored. If the group considers exceeding the Local Plan affordable housing quota then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
137. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing. Rural exception sites seek to address the housing needs of the local community through affordable housing in perpetuity. The sites aim to be wholly affordable, with small numbers of market homes sometimes allowed at LA discretion to make the development viable. This would therefore be a way to increase the provision of Affordable Housing without being limited by small market developments where the affordable threshold is not met.

# 5. Type and Size

## Introduction

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

## Definitions

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

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

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

## The current housing mix

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

### Dwelling type

147. Table 5-1 below shows Harston's stock dominated by detached housing followed by semi with these collectively forming 86% of stock. There were relatively few terraced homes (10%) and very few flats (3%). Completions since 2011 show a similar trend with growth dominated by detached and semidetached homes (85% of total) with slightly more terraced housing (13%) than in 2011. However, the proportion of flats has declined slightly to around 2%. The lack of smaller terraced homes and flats potentially has adverse impacts on affordability as these types tend to be more affordable than detached/ semidetached housing. The HNP working Group note that there have been a lot of back garden developments in the village and existing older housing on larger plots (e.g. bungalows) being replaced with several new dwellings. These have tended to be mainly larger detached and semi-detached housing with fewer terraced housing.

**Table 5-1: Accommodation type, Harston, 2011-2021**

Dwelling type	2011	%	2021	%
Detached	408	57.0%	419	56.5%
Semi-detached	207	28.8%	212	28.7%
Terrace	91	10.9%	80	12.6%
Flat	14	3.3%	24	1.9%
Total	720	100.0%	735	99.7%

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

148. Table 5-2 compares the NA mix to wider benchmarks. It shows that Harston has a substantially larger proportion of detached housing than the district and over twice the national average. There are relatively fewer semi detached properties

than in the wider geographies. Terraced housing and Flats are particularly underrepresented in the NA compared to wider district and the national average.

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

Dwelling type	Harston	South Cambs	England
Detached	57.0%	41.2%	22.9%
Semi-detached	28.8%	33.8%	31.5%
Terrace	10.9%	16.8%	23.0%
Flat	3.3%	7.2%	22.2%

Source: Census 2021, AECOM Calculations

## Dwelling size

149. Table 5-3 below presents the current housing mix in terms of size. It shows Harston's housing stock dominated by larger, 4 bedroom plus, homes which form almost half of the stock. Medium (3 bedroom) homes form a much lower proportion at around a quarter of stock with smaller homes (1-2 bedrooms) forming about 23% of the total. The 2021 stock distribution is somewhat less balanced showing growth in larger homes and declines across smaller properties with the proportion of medium properties remaining the same. Again, this trend towards larger homes confirms the observations reported by the HNP working Group and is likely to worsen the acute affordability issues identified in the previous section.

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

Number of bedrooms	2011	%	2021	%
1	50	7.2%	51	6.9%
2	118	16.9%	100	13.6%
3	187	26.8%	193	26.3%
4+	343	49.1%	390	53.1%
Total	698	100.0%	734	100.0%

Source: ONS 2021 and 2011, AECOM Calculations

150. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 shows that larger (4+ bedroom) homes formed over half the stock in Harston; a much larger proportion than the corresponding levels in the wider district and the national average. Medium (3 bedroom) homes; the most prevalent size nationally, are underrepresented in the parish at only 26%. Similarly, smaller (1-2 bedroom) homes constitute a much smaller proportion (21%) in Harston (than in the wider geographies (29 and 38% respectively)). Overall the parish has a greater proportion of larger, 4 bedroom plus, homes and fewer smaller and medium homes (1-3 bedrooms) than the wider geographies.

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

Number of bedrooms	Harston	South Cambs	England
1	6.9%	6.7%	11.6%
2	13.6%	22.5%	27.3%
3	26.3%	35.2%	40.0%
4+	53.1%	35.6%	21.1%

Source: Census 2021, AECOM Calculations

## Population characteristics

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

### Age

152. Table 5-5 shows the most recent 2021 Census age structure of the NA population, alongside 2011 Census figures. The data shows that the 45-64 age group constitutes the largest percentage of Harston's population at 31%. There are almost equal proportions of people aged 0-15, 25-44 and 65-84 (18-20% each). The 65-84 cohort grew the most (24%) in the intercensal period whilst the 25-44 cohort declined by 11%. Currently, the population profile slightly favours the 45+ age groups with more residents aged 45+ (53%) than under 45 (47%). However, in terms of overall trend the older age groups are growing at faster rates than the younger age groups. The decline in the 25-44 cohort may indicate that younger families are having to move out of the parish due lack of affordability.

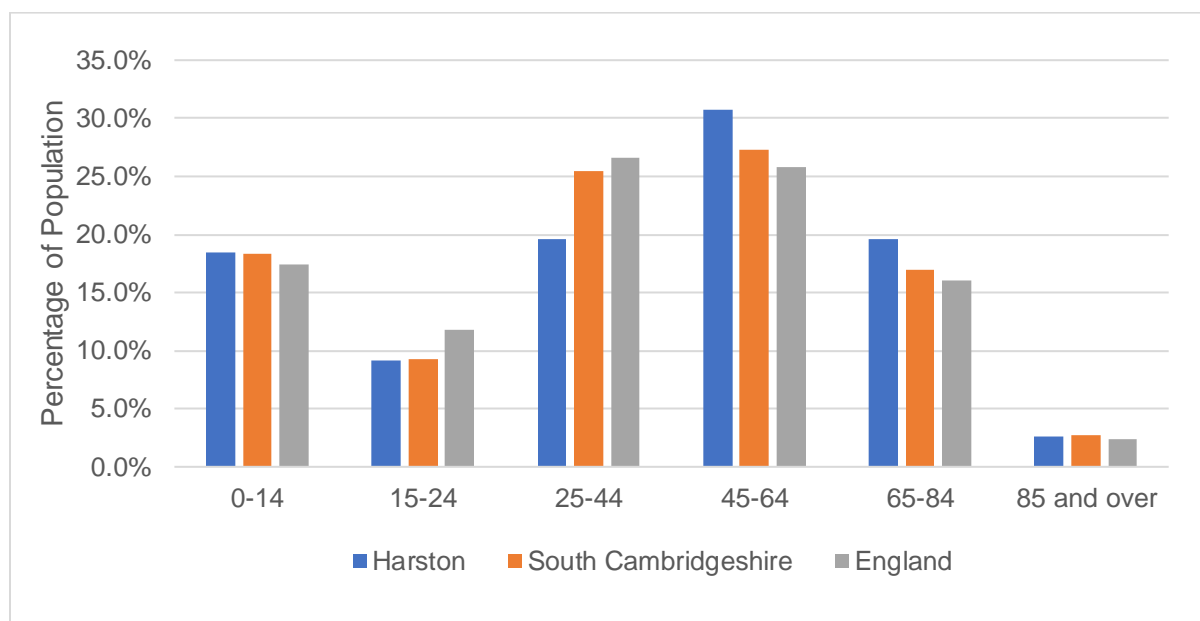
**Table 5-5: Age structure of Harston, 2011 and 2020**

Age group	2011 (Census)		2021 (Census)		Change
0-15	323	18.7%	337	18.4%	4.3%
16-24	155	9.0%	168	9.2%	8.4%
25-44	400	23.1%	358	19.6%	-10.5%
45-64	517	29.9%	562	30.7%	8.7%
65-84	290	16.8%	359	19.6%	23.8%
85 and over	44	2.5%	47	2.6%	6.8%
Total	1729	100.0%	1,831	100.0%	

Source: ONS 2011, ONS mid-2020 population estimates, AECOM Calculations

153. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2021 Census data) shows the NA having a greater proportion of the 45-64 and 65-84 age groups with a smaller proportion of the 15—24 and 25-44 age groups. The proportions of the youngest (0-14) and oldest (85 plus) cohorts in the parish are similar to those in the wider geographies.



**Figure 5-1: Age structure in Harston, 2021**

Source: ONS 2021, AECOM Calculations

## Household composition and occupancy

154. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that almost a quarter of Harston's households are single person ones, which is slightly lower than the corresponding levels at district and national levels. The parish has a greater proportion of family households aged 66 and over and comparatively more households with non-dependent children than in the wider geographies. Of those younger than 66 the balance between families with and without children favours those with children. In summary, there are comparatively fewer people living alone in Harston, but there are more older households and couples without young children.
155. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. It is interesting to observe that this category grew by 45% between 2011 and 2021 in the parish – more than double the rate in the wider district (18%) and much higher than the growth rate nationally (4%).

**Table 5-6: Household composition, Harston, 2021**

<b>Household composition</b>		<b>Harston</b>	<b>South Cambs</b>	<b>England</b>
<b>One person household</b>	<b>Total</b>	<b>22.8%</b>	<b>26.2%</b>	<b>30.1%</b>
	Aged 66 and over	12.9%	12.3%	12.8%
	Other	9.9%	14.0%	17.3%
<b>One family only</b>	<b>Total</b>	<b>72.5%</b>	<b>69.1%</b>	<b>63.1%</b>
	All aged 66 and over	12.9%	11.4%	9.2%
	With no children	16.7%	18.7%	16.8%
	With dependent children	30.3%	29.2%	25.8%
	With non-dependent children <sup>7</sup>	11.4%	9.3%	10.5%
<b>Other household types</b>	<b>Total</b>	<b>4.7%</b>	<b>4.7%</b>	<b>6.9%</b>

Source: ONS 2021, AECOM Calculations

156. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
157. Table 5-7 shows that in Harston a combined 82% of households live in a home with at least one bedroom more than they would be expected to need and 58% have two or more extra bedrooms. Only 2% of households have too few.
158. The previous chapter established the high property values in the area, so it would appear that the largest homes are not necessarily occupied by those with the largest families but by those with the financial capacity to do so, irrespective of their household size, or by older people who have not chosen or been able to move to smaller properties. This latter point is confirmed when considering the data for different household types. Almost all (99%) couples aged over 65 have more bedrooms than they would be expected to need.

<sup>7</sup> Refers to households containing children who are older than 18 e.g students or young working people living at home.

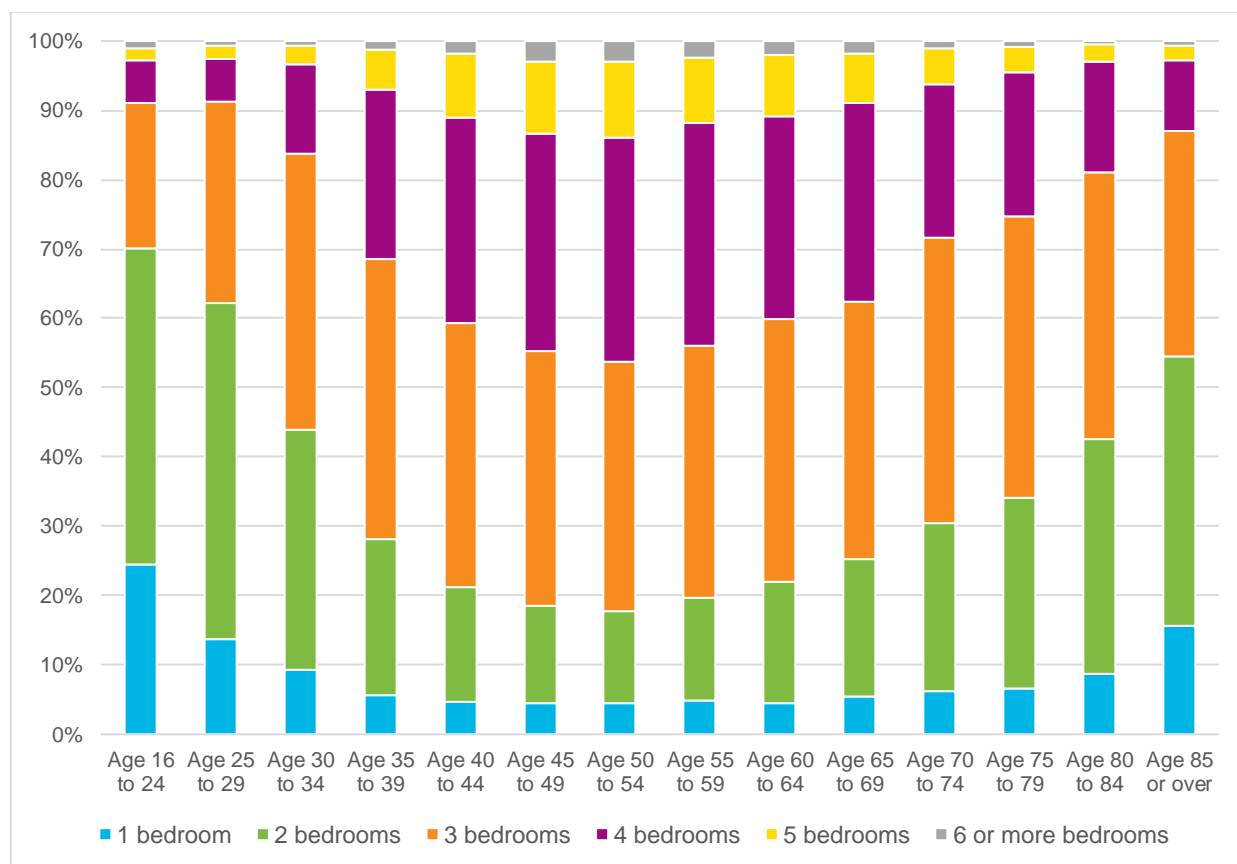
**Table 5-7: Occupancy rating by age in Harston, 2011**

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	82.7%	16.0%	1.2%	0.0%
Single person 65+	56.7%	20.6%	22.7%	0.0%
Family under 65 - no children	81.1%	12.6%	6.3%	0.0%
Family under 65 - dependent children	44.8%	32.0%	21.1%	2.1%
Family under 65 - adult children	44.8%	36.2%	17.2%	1.7%
Single person under 65	43.3%	35.8%	20.9%	0.0%
All households	58%	24%	16%	2%

Source: ONS 2011, AECOM Calculations

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

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



Source: ONS 2011, AECOM Calculations

## Future population and size needs

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

### Age

161. The result of applying Local Authority level household projections to the age profile of Harston households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households with 74% increase in households aged 65 and over in the Plan period. All three youngest age groups (up to 54) are expected to decline over this period. However, it is worth noting that because of the small population size of Harston, the percentage changes between 2011 and 2041 can make the changes seem more significant than they may be in practice. For example, the decrease of household reference persons aged 24 and under in the plan period by 10% is only a decrease of 0.5.

**Table 5-8: Projected age of households, Harston, 2011 - 2041**

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	5	67	258	143	225
2041	4.5	58	244	161	392
% change 2011-2041	-10%	-14%	-5%	13%	74%

Source: AECOM Calculations

162. The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-8 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

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

164. The result of this exercise is presented in Table 5-9. It suggests that there is an excess of larger 4 bedroom plus homes in Harston with the data showing that no further requirement is anticipated for dwellings of this size on the basis of demographic change and existing stock patterns. The majority of need is likely to be for medium (3 bedroom) homes at 60% of total. This is followed by smaller (2 bedroom) homes at 36% with only a modest 4% more 1 bedroom homes

likely to be required by the end of the Plan period. In essence the goal is diversification away from a relatively skewed (towards larger dwellings) current mix, with a need for smaller homes with particular emphasis on the medium (3 bedroom) dwellings.

**Table 5-9: Suggested dwelling size mix to 2041, Harston**

Number of bedrooms	Current mix (2011)	Suggested mix (2041)	Balance of new housing to reach suggested mix
1	7.2%	6.8%	3.6%
2	16.9%	23.3%	36.3%
3	26.8%	37.5%	60.1%
4	33.4%	24.3%	0.0%
5+	15.8%	8.1%	0.0%

Source: AECOM Calculations

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

- The above aligns with the HNP working Group's observation that recent development in Harston has tended to favour larger dwellings (4 bedroom and over).
- This also tallies with the local agent consultation mentioned in the HNSG which noted the strong demand for 3-bedroom homes in South Cambridgeshire. The HNSG suggests the following market housing size mix across the HMA:
  - Market housing: 0-10% 1-bedroom; 20-30% 2-bedroom; 35-45% 3-bedroom; 25-35% 4+ bedroom.
- Whilst the above guidelines echo this HNA's findings in terms of the need for more 3 bedroom homes, they suggest additional larger homes (up 35% for market housing). However, the HNSG's recommendations for South Cambridgeshire cover a much wider area than the NA. Therefore, although this may serve as a benchmark, local circumstances should be taken into account before making decisions such as this on a neighbourhood level. AECOM calculations in this Chapter provide further guidance on the size mix of future dwellings in the NA.
- The preceding chapter found that affordability is a serious and worsening challenge in the parish. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.
- The Working Group's local housing needs survey highlighted a local preference for smaller homes suited to families and to older residents wishing

to downsize. Providing smaller homes with fewer bedrooms (2-3 bedrooms) would help to address this situation.

- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if the existing stock of larger homes is sufficiently affordable.

## Tenure

166. The recommendation discussed immediately above applies to all housing in the NA over the Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.
167. Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
168. There are three key sources of information for thinking through the size needs of different categories. These are:
- The relevant SHMA or LHNA for the Local Authority, which will (usually) set out the projected need by size within each tenure over the long-term. In this case, the HNSG suggests the following dwelling size mixes across the HMA:
    - Market housing: 0-10% 1-bedroom; 20-30% 2-bedroom; 35-45% 3-bedroom; 25-35% 4+ bedroom.
    - Affordable home ownership: 15-25% 1-bedroom; 35-45% 2-bedroom; 25-35% 3-bedroom; 5-15% 4+ bedroom.
    - Social/affordable rented: 25-35% 1-bedroom; 35-45% 2-bedroom; 20-30% 3-bedroom; 0-10% 4+ bedroom.

- As noted above, HNSG also identifies a need for more 3 bedroom homes but it also proposes additional larger homes for market housing. For the affordable ownership/ rented sectors the study proposes much smaller proportions of larger homes (up to a maximum of 15% for affordable ownership).
  - The waiting list for affordable rented housing, kept by the Local Authority. This provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In this case SCDC's waiting list shows that the majority of need is for 1-bedroom homes (35%) followed by an equal proportion of 2 and 3 bedroom homes (26% each) with a smaller (12%) requirement for 4 bedroom homes. The waiting list data shows the majority of need (57%) is generated by people in the 30-44 age range. The HNP Working Group also identified a lack of affordable housing for younger households in Harston.
169. To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller / medium sizes while market homes focus on mid-sized homes. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

## Type

170. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.
171. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
172. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Harston, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to

deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.

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

## **Conclusions- Type and Size**

### **The current housing mix**

174. Harston's housing stock is dominated by larger detached and semidetached homes (86% of stock). Recent completions have skewed the balance further toward larger homes.
175. Larger, 4 bedroom plus, homes form almost half of the stock in Harston, with much lower proportions of medium (3 bedroom) homes at around a quarter of stock. Smaller homes (1-2 bedrooms) form about 23% of the total. The 2021 stock distribution is somewhat less balanced showing growth in larger homes and declines across smaller sizes with the proportion of medium properties remaining the same. This trend towards larger homes confirms the observations reported by the HNP working Group and is likely to worsen the acute affordability issues identified in the previous chapter as larger detached homes tend to be less affordable.

### **Population characteristics**

176. The age structure of the population is a key indicator of the future need for housing. The 2021 Census data shows that the 45-64 age group constitutes the largest percentage of Harston's population at 31%. There are almost equal proportions of people aged 0-15, 25-44 and 65-84 (18-20% each). The 65-84 cohort grew the most (24%) in the intercensal period whilst the 25-44 cohort declined by 11%. Currently, the population profile slightly favours those aged 45+ with more residents aged 45+ (53%) than under 45 (47%). However, in terms of overall trend the older age groups are growing at faster rates than the younger ones. The decline in the 25-44 cohort may indicate that younger families are having to move out of the parish due lack of affordability. This also aligns with South Cambridgeshire District Councils' housing waiting list data which shows that most of the need for affordable housing is generated by people below 45 years of age.
177. While only around 47 residents are aged over 85 presently, today's large 45-84 age cohort is likely to produce an ageing population in 2041. Older people could become the largest source of demand for housing, whether they intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving needs. Applying South Cambridgeshire's household projections to Harston's



population suggests that by 2041, the 65+ age group could nearly double, while all other age groups below 55, decline.

### **Future population and size needs**

178. The results of the life-stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the Plan period in order to understand what should be built, suggests that new development might benefit from a strong focus on medium (3 bedroom) and smaller dwellings (2 bedroom). There is less likely to be a requirement for more larger (4 bedroom plus) homes over the HNP period.
179. The overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller / medium sizes while market homes focus on mid-sized homes. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.
180. The parish may also benefit focussing on delivering more semis, terraces and flats as these tend to be more affordable than the detached homes prevalent in Harston. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Harston, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment (e.g. low-rise maisonettes that resemble terraces rather than blocks of flats). Other factors to consider include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

## 6. Specialist housing for older people

### Introduction

181. It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Harston. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:
182. To review the current provision of specialist housing in the NA;
183. To estimate the potential demand for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
184. To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
185. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.
186. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.<sup>8</sup>
187. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).<sup>9</sup> Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.
188. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

<sup>8</sup> See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

<sup>9</sup> For a full description of Planning Use Classes, please refer to [https://www.planningportal.co.uk/info/200130/common\\_projects/9/change\\_of\\_use](https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use)

## Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing<sup>10</sup>:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

## Specialist housing for older people

189. There is a total of 42 units of specialist accommodation in the Harston at present, sheltered accommodation (bungalows) with shared communal areas (e.g. lounge and laundry). All are available for social rent for those in financial need. Details are provided in Appendix E.
190. The 2021 Census indicates that there are currently 184 individuals aged 75 or over in Harston. This suggests that current provision is in the region of 228 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

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<sup>10</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

## Demographic characteristics

191. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Harston is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for South Cambridgeshire. The results (Table 6-1) show that the proportion of residents aged 75+ in Harston is similar to that in the wider district, both in 2011 and at the end of the HNP period in 2041. In this period the proportion of Harston residents aged 75+ is expected to grow from 8% in 2011 to 14% in 2041.
192. A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

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

Age group	2011		2041	
	Harston (Census)	South Cambs (Census)	Harston (AECOM Calculation)	South Cambs (ONS SNPP 2018)
All ages	1,729	148,755	1,917	164,959
75+	136	11,563	275	23,366
%	7.9%	7.8%	14.3%	14.2%

*Source: ONS SNPP 2020, AECOM Calculations*

193. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
194. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2041. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the vast majority of 55-75 year olds in South Cambridgeshire in 2011 owned their own homes (82% of households). The remaining 18% rented their home, mostly through social renting (13%) followed by private rents (4%). As stated above, specialist stock comprises 42 dwellings in Harston and it may be surmised that the existing stock of specialist older persons housing in the wider district does not cater enough for the owner occupied sector based on Table 6-2. However, this is before taking into consideration mobility limitations specific to the NA and the fact that home

adaptations may be more suitable for households that own their own home than those living in the social rented or private rented sector.

195. The expected growth in the 75+ population in the NA is 139 additional individuals by the end of the plan period. This can be converted into 101 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Harston's households are likely to need in 2041, and is shown in the bottom row of Table 6-2.

**Table 6-2: Tenure of households aged 55-75 in South Cambridgeshire (2011) and projected aged 75+ in Harston (2041)**

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
<b>South Cambs</b>	82.1%	59.1%	23.0%	17.9%	12.7%	4.0%	1.2%
<b>Harston</b>	83	59	23	18	13	4	1

Source: Census 2011

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

## Future needs for specialist accommodation and adaptations

197. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be **43**.
198. AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.
199. It is important to take into consideration the breakdown of levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-3, the majority of the need, at 72%, is identified for specialist market housing. More need is identified

for sheltered housing at 63% than extra-care housing (37%). However, extra-care may need to form a higher share given the present lack of this form of accommodation in Harston. The greatest sub-category of need was identified for market sheltered housing at 49% of the total. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

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

Type	Affordable	Market	Total
Housing with care	6	10	<b>16</b>
Adaptations, sheltered, or retirement living	6	21	<b>27</b>
<b>Total</b>	<b>12</b>	<b>31</b>	<b>43</b>

Source: Census 2011, AECOM Calculations

200. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the most simple and widely used models estimating for the housing needs of older people. HLIN calculations
201. **Ta** in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Harston results in a total of **35** specialist dwellings that might be required to the end of the Plan period. This is set out in Table 6-4.

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

Type	Affordable	Market	Total
Housing with care	4.3	5.6	<b>10</b>
Adaptations, sheltered, or retirement living	8.4	16.7	<b>25</b>
<b>Total</b>	<b>13</b>	<b>22</b>	<b>35</b>

Source: Housing LIN, AECOM calculations

202. The HNSG estimates that for the district as a whole there will be a surplus of 502 or 25 sheltered dwellings for rent per annum (dpa) and a shortfall of 1,447 (72.4 dpa) sheltered market (leasehold) dwellings by 2040. In terms of Housing with care; the HNSG estimates a need for 192 (9.6 dpa) rented and 473 (23.7 dpa) market dwellings. Prorating the above values to Harston produces an overall need of 9 specialist older persons housing units by 2041 (after deducting

a surplus of 5 sheltered rented units). This is mostly for with care market housing.

203. The HNSG findings with respect to specialist older persons housing are outlined below:
- The study found that across the HMA, between 2020 and 2040 there is expected to be a 55% increase in the population aged 65 or over.
  - It is also estimated that Cambridgeshire and West Suffolk (the HMA) have slightly lower levels of disability and long-term health problems compared to the region and the country. Whilst the ageing population will still create a need for specialist housing, this may mean that the need for specialist housing isn't as acute as elsewhere in the region.
  - The study recommends that all new homes built in the HMA should be M4(2) compliant. This is significantly higher than the current adopted South Cambridgeshire Local Plan, which makes provision for 5% of dwellings to be to this accessibility standard. The study further recommends that 10% of market homes and 25% of affordable homes are built to M4(3) (wheelchair accessible) standards.

## Further considerations

204. The above estimates suggest that potential need for specialist accommodation could be in the range of 35-43 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
205. In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
206. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
207. It is considered that Harston's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Harston entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Harston, Great Shelford which has a higher level of services (classed as a Rural Centre in the adopted Local Plan) and more older persons housing provision, is potentially suitable (i.e. to be the hub in the hub-and-spoke model) due to its proximity to Harston and its higher

level of services and older persons housing. Trumpington may be another option due to its level of services (south of Cambridge) and proximity to Harston.

208. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

## Care homes

209. Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
210. However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
211. Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
212. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. Based on this rate, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2041 there would be a need for 9 care home beds in the NA (there are none in the NA currently). The HNSG estimates a shortfall of 1,613 older persons' care bed-spaces by 2040 which implies a need for 16 beds for Harston by 2041.
213. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.



## The Role of Mainstream Housing

214. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 80% of the Harston population aged 75 and over is likely to live in the mainstream housing stock<sup>11</sup>.
215. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
216. However, given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with SCDC.
217. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings<sup>12</sup>, although changes to Building Regulations have not yet been made.
218. Policy H/9 in the adopted South Cambridgeshire Local Plan requires that 5% of homes in a development should be built to the accessible and adaptable dwellings M4(2) standard, evenly between the affordable and market homes in a development. It is likely that this will increase, with the First Proposals document of the emerging Greater Cambridge Local Plan (Policy H/SS) suggesting that all new homes will be required to meet Category M4(2) and that 5% of affordable homes on sites with 20+ affordable homes will be required to meet Category M4(3), accommodating those who use wheelchairs. The evidence gathered here would appear to justify the Working Group approaching the LPA to discuss setting requirements on accessibility and adaptability at a District level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.
219. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.
220. Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the

<sup>11</sup> 184 over 75s in 2021, of which 42 are accommodated in specialist housing and 0 in care homes (no care homes in NA), leaving 142 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

<sup>12</sup> See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Harston to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for around 1 wheelchair accessible dwellings over the Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

**Table 6-5: Wheelchair use Nationally Applied to Harston**

	Percentage in England	% applied to NA housing requirement figure (13 to end of plan period)
Households using wheelchair all the time	0.6%	0.1
Households using wheelchair either indoors or outdoors	3.0%	0.4

Source: Survey of English Housing 2018/19

## Conclusions- Specialist Housing for Older People

221. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
222. Harston's stock of specialist accommodation for older people currently comprises 42 sheltered bungalows for social rent. The lack of other forms of older persons housing may present problems for those in need of specialist housing but are not eligible for social rented dwellings.
223. The 75+ age group formed around 8% of the parish's population in 2011 and currently forms around 10% . This category is expected to increase by 139 in the Plan period to make up 14% of the population in 2041. This is estimated to form into 101 households.
224. The two methods used to estimate the future need in Harston produce a range of 35 to 43 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
225. The majority of the need (72%), is identified for specialist market housing. More need is identified for sheltered housing at 63% than extra-care housing (37%). However, extra-care may need to form a higher share given the present lack of

this form of accommodation in Harston. The greatest sub-category of need was identified for market sheltered housing at 49% of the total. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

226. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
227. It is considered that Harston's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Harston entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Harston, Great Shelford which has a higher level of services (classed as a Rural Centre in the adopted Local Plan) and greater older persons housing provision is potentially suitable (i.e. to be the hub in the hub-and-spoke model) due to its proximity to Harston and its higher level of services and older persons housing. Trumpington may be another option due to its better level of services (south of Cambridge) and proximity to Harston.
228. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing.
229. Applying the HLIN SHOP toolkit rates for residential/ nursing homes for older people produces an estimated need for 9 care home bed spaces in the parish by 2041. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.
230. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with SCDC.
231. The emerging Greater Cambridge Local Plan (Policy H/SS) suggests that all new homes will be required to meet Category M4(2) and that 5% of affordable homes on sites with 20+ affordable homes will be required to meet Category M4(3), accommodating those who use wheelchairs. The evidence gathered here would appear to justify the HNP Working Group approaching the LPA to discuss setting requirements on accessibility and adaptability at a District level.

It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

## 7. Next Steps

### Recommendations for next steps

232. This Neighbourhood Plan housing needs assessment aims to provide Harston 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 SCDC with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
  - The views of SCDC;
  - The views of local residents;
  - The views of other relevant local stakeholders, including housing developers and estate agents; and
  - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by SCDC.
233. 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.
234. Bearing this in mind, it is recommended that the HNP Working Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, SCDC or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
235. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

## Appendix A : Assessment geography

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

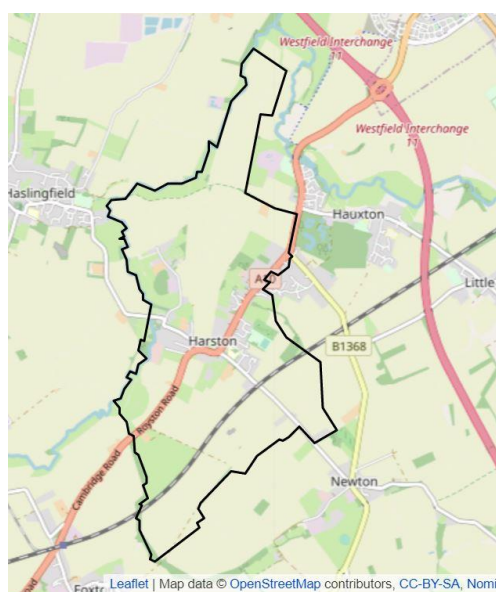
- E01018253 LSOA
- 12UGHL0002 OA
- 12UGHL0003 OA

237. For the 2021 Census the NA can be reproduced using the following OA's

- E00092067
- E00092068
- E00092069
- E00092070
- E00092071

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

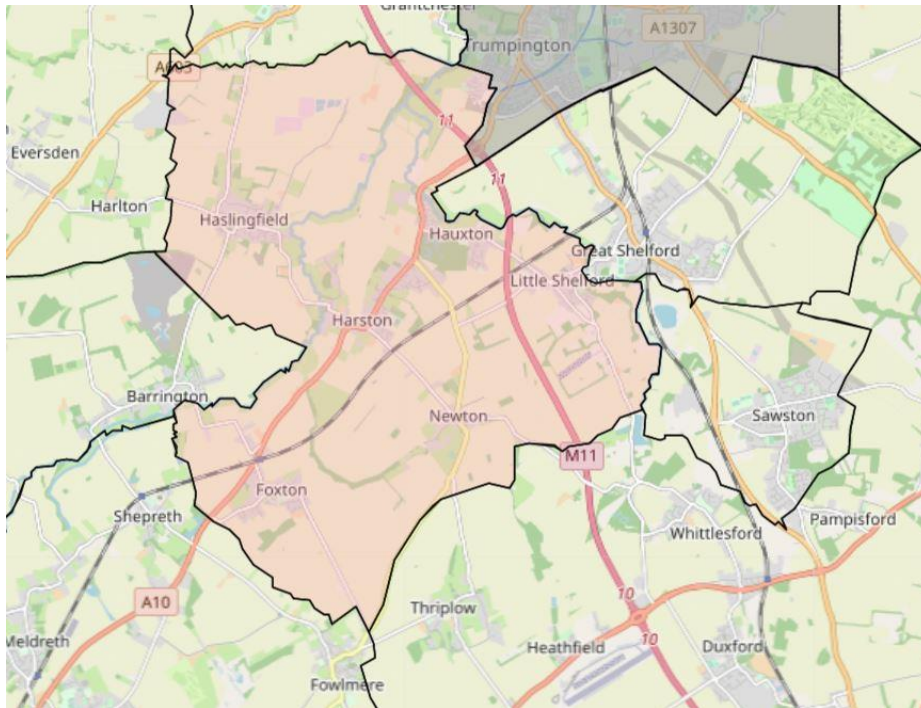
- South Cambridgeshire 014B (E01018253) LSOA . This covers the majority of the NA's area however it excludes an area east of the parish between Harston and Hauxton. The LSOA is shown below in Figure A-1.



**Figure A-1 South Cambridgeshire 014B LSOA**

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

- South Cambridgeshire 014 (E02003788) this covers a larger area than the NA; extending to Foxton, Newton, Little Shelford, Hauxton and Haslingfield (Figure A-2).



**Figure A-2 • South Cambridgeshire 014 MSOA**

## Appendix B : Local Plan context

### Policies in the adopted local plan

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

**Table B-1: Summary of relevant adopted policies in the South Cambridgeshire adopted Local Plan**

Policy	Provisions
S/5 Provision of New Jobs and Homes	Sets a housing growth target of 19,500 homes for the district.
S/6 The development Strategy to 2031	<p>Sets the settlement hierarchy where growth in homes and jobs will be met in the following order of preference:</p> <ol style="list-style-type: none"> <li>On the edge of Cambridge</li> <li>At new settlements (at Waterbeach and Bourne Airfields, Cambourne West and expansion of Northstowe)</li> <li>In the rural area at Rural Centres and Minor Rural Centres</li> </ol>
S/10 Group Villages	<p>Categorizes 32 villages including Harston as Group Villages. These are considered less sustainable locations (than Rural Centres and Minor Rural Centres) for new development, where limited development is envisaged to help maintain remaining services and facilities and provide for affordable housing to meet local needs.</p> <p>Development will not be permitted on sites capable of accommodating scheme sizes significantly larger than 8 or exceptionally 15 dwellings (on single brownfield site).</p>
H/9 Housing Mix	<p>States that the housing mix of affordable homes (except starter homes) is to be informed by local housing need evidence.</p> <p>5% of homes in a development should be built to the accessible and adaptable dwellings M4(2) standard. This provision to be split evenly between the affordable and market homes in a development.</p> <p>Special accommodation for the elderly (with / without care) will not be subject to the mix set out above.</p>
H/10 Affordable Housing	States for 11 or more dwellings, 40% of homes on site will be affordable (subject to viability).



Policy	Provisions
	The mix of affordable house tenures is to be determined based on local circumstances.

Source: [South Cambridgeshire Local Plan \(2018\)](#)

## Policies in the emerging local plan

241. Table B-2 below summarises policies in the emerging Greater Cambridge Local Plan that are relevant to housing need and delivery in Harston.

**Table 2-2: Summary of relevant emerging policies in the Greater Cambridge Local Plan.**

Policy	Provisions
S/DS Development Strategy	Sets an overall growth target of 48,840 new homes for Greater Cambridge
H/AH Affordable Housing	<p>40% of dwellings to be Affordable Housing on sites of 10 or more homes</p> <p>Mixed tenure developments that include Build to Rent homes should make up any shortfall in affordable homes within the Build to Rent element on the remainder of the development.</p> <p>The first at least 25% of the affordable homes to be First Homes, with at least 10% of all new homes on the development to be provided as affordable home ownership products.</p> <p>The plan will set out the proportion of the different affordable housing tenures for the remaining up to 75% of the affordable homes (after the at least 25% First Homes portion). This <i>should include an element of social rent homes in recognition that the Councils have been identified by the Government as areas of high affordability pressure.</i><sup>13</sup></p>
H/HM Housing Mix	<p>New housing developments of 10 or more dwellings (South Cambs) will be required to provide the following mix of housing sizes (number of bedrooms) Proposes following mix for affordable Housing:</p> <p>Affordable ownership housing:</p> <p>15-25% 1 bedroom homes</p> <p>35-45% 2 bedroom homes</p>

<sup>13</sup> The policy refers to [Homes for our future Greater Cambridge Housing Strategy 2019-2023](#) which gives a provisional AH split of 70% affordable rents to 30% affordable ownership tenures for South Cambs adding that this will be subject to review as part of a (future) Housing SPD.

Policy	Provisions
	<p>25-35% 3 bedroom homes</p> <p>5-15% 4 or more bedroom homes</p> <p>Affordable rented housing:</p> <p>25-35% 1 bedroom homes</p> <p>35-45% 2 bedroom homes</p> <p>20-30% 3 bedroom homes</p> <p>0-10% 4 or more bedroom homes</p>
<p>H/BR Build to rent homes</p>	<p>The policy will require at least 20% of homes on Build to Rent developments, of 10 or more homes, to be affordable private rented, and these homes will contribute towards the overall 40% affordable homes to be provided on a mixed tenure development.</p>
<p>H/SS Residential space standards and accessible homes</p>	<p>All new homes will be required to be Building Regulations M4(2) 'accessible and adaptable' dwellings (subject to viability considerations)</p> <p>5% of affordable homes on new developments that include 20 or more affordable homes will be required to be Building Regulations M4(3) 'wheelchair user' dwellings, to be provided as Building Regulations M4(3)(a) 'wheelchair adaptable' dwellings unless the Council has identified a need for Building Regulations M4(3)(b) 'wheelchair accessible' dwellings.</p>

Source: [Greater Cambridge Local Plan - First Proposals \(Regulation 18: Preferred Options 2021\)](#)

## Appendix C : Affordability calculations

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

### C.1 Market housing

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

#### i) Market sales

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

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

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

- Value of a median NA house price (2021) = £582,500
- Purchase deposit at 10% of value = £58,250;
- Value of dwelling for mortgage purposes = £524,250
- Divided by loan to income ratio of 3.5 = purchase threshold of £149,786

247. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2021 was £467,500 and the purchase threshold is therefore £120,214.

248. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry does not record any sales of new build properties in

the NA in 202. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence, and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

249. Therefore an estimate has been calculated by determining the uplift between all house prices in 2021 across South Cambridgeshire and new build house prices in 2021 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2021 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £512,452 and purchase threshold of £131,773.
250. In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across South Cambridgeshire in 2021. The median cost of new build dwellings in 2021 was £427,500, with a purchase threshold of £109,929.
251. This is perhaps unlikely to be achievable in the NA given that the median home value in Harston in 2021 was 49% higher than the median for the wider district – hence the need to calculate the estimate outlined above.

## **ii) Private Rented Sector (PRS)**

252. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
253. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
254. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the CB22 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.

255. According to [home.co.uk](https://www.home.co.uk), there were 16 properties for rent at the time of search in February, 2023, with an average monthly rent of £1,828. There were 4 two-bed properties listed, with an average price of £1,288 per calendar month.
256. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £1,288x 12 = £15,456;
  - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £51,520.
257. The calculation is repeated for the overall average to give an income threshold of £73,120.

## C.2 Affordable Housing

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

### i) Social rent

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

**Table C-1: Social rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£94.35	£109.92	£122.46	£133.83	£113.27
Annual average	£4,906	£5,716	£6,368	£6,959	£5,890
Income needed	£16,338	£19,034	£21,205	£23,174	£19,614

Source: Homes England, AECOM Calculations

## ii) Affordable rent

262. 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).
263. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
264. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for South Cambridgeshire. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
265. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 30% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

**Table C-2: Affordable rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£123.25	£139.74	£161.52	£206.47	£146.64
Annual average	£6,409	£7,266	£8,399	£10,736	£7,625
Income needed	£21,342	£24,197	£27,969	£35,752	£25,392

Source: Homes England, AECOM Calculations

## iii) Affordable home ownership

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

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

### First Homes

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

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

269. The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £512,452.

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

- Value of a new home (estimated NA new build entry-level) = £512,452;
- Discounted by 30% = £358,716;
- Purchase deposit at 10% of value = £35,872;
- Value of dwelling for mortgage purposes = £322,845;
- Divided by loan to income ratio of 3.5 = purchase threshold of £92,241.

271. The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £79,064 and £65,887 respectively.
272. The 30% discounted First Homes income threshold calculated here exceeds the cap of £80,000 above which households are not eligible. Additionally, all the discounted prices are above the £250,000 limit which means they would also fail to meet the criteria, so either a greater discount is justified, developers would need to bring the price down, or smaller or lower value properties would need to be delivered than our assumed benchmark.
273. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m<sup>14</sup>) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Harston.
274. Table C-3 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	60%	87%	74%
NA estimated new build entry-level house price	55%	85%	71%
NA entry-level house price	50%	84%	68%
LA median new build house price	46%	82%	65%

Source: Land Registry PPD; ONS MSOA total household income

#### Shared ownership

275. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

<sup>14</sup> It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>



276. 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.
277. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
278. The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £512,452 is £128,113;
  - A 10% deposit of £12,811 is deducted, leaving a mortgage value of £115,302;
  - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £32,943;
  - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £384,339;
  - The estimated annual rent at 2.5% of the unsold value is £9,608;
  - This requires an income of £32,028.25 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
  - The total income required is £64,972 (£32,943 plus £32,028).
279. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £51,611 and £87,239 respectively. The latter exceeds the £80,000 cap hence only lower (than 50%) equity shares would be possible in this instance.

#### Rent to Buy

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

#### Help to Buy (Equity Loan)

281. The Help to Buy Equity Loan is not an affordable housing tenure but allows households to afford market housing through a loan provided by the government. With a Help to Buy Equity Loan the government lends up to 20%

(40% in London) of the cost of a newly built home. The household must pay a deposit of 5% or more and arrange a mortgage of 25% or more to make up the rest. Buyers are not charged interest on the 20% loan for the first five years of owning the home.

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

# Appendix D : Affordable Housing need and policy

## Affordable housing policy

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

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

Consideration	Local Evidence
<p><b>A. Evidence of need for Affordable Housing:</b></p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>Applying the HNSG estimates to Harston suggests the NA requires around 4.8 units of affordable rented housing and 1.2 units of affordable home ownership homes per annum over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p> <p>The relationship between these figures (80% affordable rents to 20% affordable ownership) suggests that affordable rented housing should be prioritised over affordable home ownership.</p>
<p><b>B. Can Affordable Housing needs be met in full?</b></p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p>	<p>If the adopted Local Plan target of 40% (on schemes larger than 10 dwellings or larger than 9 in emerging Plan) were achieved on every site, assuming the delivery of the NA's housing requirement of 13 homes, up to 5 affordable homes might be expected in the NA over Plan period. However, these are expected to be delivered on smaller infill/windfall sites which would be unlikely to meet the threshold above which the AH contribution is required.</p> <p>This expected level of potential affordable housing delivery would not be sufficient to meet all of the need identified. Therefore, it is recommended that the more urgent and acute need for rented housing be prioritised.</p>

<p><b>C. Government policy (eg NPPF) requirements:</b></p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	<p>For 10% of all housing to be affordable ownership in Harston, where 40% of all housing should be affordable, 25% of Affordable Housing should be for affordable ownership. This complies with the emerging Greater Cambridge Plan policy H/AH which doesn't propose a split but acknowledges the requirement for all housing delivered to 10% AH for ownership.</p>
<p><b>D. Local Plan policy:</b></p>	<p>The adopted does not propose an AH tenure split leaving this to be informed by evidence. The emerging Local Plan (in its current form) again does not specify a split but implies that this would be provided in future iterations of the Plan and acknowledges the need for 10% of all housing to be AH for ownership and the requirement for the first 25% to be in the form of First Homes.</p> <p>The emerging Local Plan places emphasis on the importance of the affordable rented sector stating that it <i>'will take into account the issues of affordability experienced in Greater Cambridge'</i>, and <i>'include an element of social rent homes in recognition that the Councils have been identified by the Government as areas of high affordability pressure.'</i></p>
<p><b>E. First Homes policy:</b></p> <p>The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in</p>	<p>This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This would not impact the requirement in the emerging Plan as it includes the requirements for the initial 25% (as a minimum) of AH to be First Homes provision.</p>

<p>the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering ‘top slicing’ their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p>	
<p><b>F. Viability:</b></p>	<p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.</p>
<p><b>G. Funding:</b></p> <p>The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p>	<p>The HNP Working Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p><b>H. Existing tenure mix in Harston:</b></p> <p>The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>Evidence suggests there is limited Affordable Housing (either to rent or for sale) within the NA at present. The proportion of social rents declined by 10% since 2011 and although shared ownership increased in this period there are relatively few such homes available in the parish (around 18 in 2021). The HNP Working Group noted that a lot of the Council’s stock has been sold thus reducing overall AH provision in the parish.</p>

	<p>SCDC's waiting lists data shows there 42 household in need in Harston.</p>
<p><b>I. Views of registered providers:</b></p>	<p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.</p>
<p><b>J. Wider policy objectives:</b></p>	<p>The HNP Working Group may wish to take account of broader policy objectives for Harston 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 NA. These wider considerations may influence the mix of Affordable Housing provided.</p>

# Appendix E : Specialist housing for older people

## Background data tables

Table E-1: Existing specialist housing supply, Harston

	Name	Description	Dwellings	Tenure	Type
1	Meadow Way/ Queens Close	42 Bungalows	42	Rent (social landlord)	Retirement housing

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

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

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
<b>All categories</b>	53	15.9%	91	27.2%	190	56.9%
<b>Owned Total</b>	33	12.1%	70	25.6%	170	62.3%
Owned outright	31	13.3%	61	26.2%	141	60.5%
Owned (mortgage) or shared ownership	2	5.0%	9	22.5%	29	72.5%
<b>Rented Total</b>	20	32.8%	21	34.4%	20	32.8%
Social rented	18	34.0%	16	30.2%	19	35.8%
Private rented or living rent free	2	25.0%	5	62.5%	1	12.5%

Source: DC3408EW Health status

## HLIN calculations

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

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

Source: Housing LIN SHOP Toolkit

284. As Table 6-1 in the main report shows, Harston is forecast to see an increase of 139 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent =  $60 \times 0.139 = 8.4$
- Leasehold sheltered housing =  $120 \times 0.139 = 16.7$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) =  $20 \times 0.139 = 2.8$
- Extra care housing for rent =  $15 \times 0.139 = 2.1$
- Extra care housing for sale =  $30 \times 0.139 = 4.2$
- Housing based provision for dementia =  $6 \times 0.139 = 0.8$
- **Total =35**



# Appendix F : Housing Needs Assessment Glossary

## **Adoption**

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

## **Affordability**

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

## **Affordability Ratio**

Assessing affordability involves comparing housing costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority (LQAR) as well as median house price to median earnings by local authority (MAR) e.g. income = £25,000, house price = £200,000. House price: income ratio = £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 methods<sup>15</sup>.

### **Age-Restricted General Market Housing**

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

### **Annual Monitoring Report**

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

### **Basic Conditions**

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

### **Backlog need**

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

### **Bedroom Standard<sup>16</sup>**

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.

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<sup>15</sup> The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

<sup>16</sup> See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

## **Co-living**

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

## **Community Led Housing/Community Land Trusts**

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

## **Community Right to Build Order<sup>17</sup>**

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)<sup>18</sup>**

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

## **Equity Loans/Shared Equity**

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

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<sup>17</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>18</sup> See [http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776\\_350282.pdf](http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf)

## **Extra Care Housing or Housing-With-Care**

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

## **Fair Share**

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

## **First Homes**

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

## **Habitable Rooms**

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

## **Household Reference Person (HRP)**

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

## **Housing Market Area**

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

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

## **Housing Needs**

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

## **Housing Needs Assessment**

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

## **Housing Products**

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

## **Housing Size (Census Definition)**

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

## **Housing Type (Census Definition)**

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

## **Housing Tenure (Census Definition)**

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

## **Income Threshold**

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

## **Intercensal Period**

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

## **Intermediate Housing**

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

## **Life Stage modelling**

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

## **Life-time Homes**

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

## **Life-time Neighbourhoods**

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

## **Local Development Order**

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

## **Local Enterprise Partnership**

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

## **Local housing need (NPPF definition)**

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

## **Local Planning Authority**

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

## **Local Plan**

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

## **Lower Quartile**

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

## **Lower Quartile Affordability Ratio**

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

## **Market Housing**

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

## **Mean (Average)**

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

## **Median**

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

## **Median Affordability Ratio**

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

## **Mortgage Ratio**

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years<sup>19</sup>, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

## **Neighbourhood Development Order (NDO)**

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

## **Neighbourhood plan**

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

## **Older People**

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

## **Output Area/Lower Super Output Area/Middle Super Output Area**

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

## **Overcrowding**

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

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<sup>19</sup> See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>



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

### **Planning Condition**

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

### **Planning Obligation**

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

### **Purchase Threshold**

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

### **Proportionate and Robust Evidence**

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

### **Private Rented**

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

### **Retirement Living or Sheltered Housing**

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

### **Residential Care Homes and Nursing Homes**

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

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

### **Rightsizing**

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

### **Rural Exception Sites**

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

### **Shared Ownership**

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

### **Sheltered Housing<sup>20</sup>**

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

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<sup>20</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

### **Strategic Housing Land Availability Assessment**

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

### **Strategic Housing Market Assessment (NPPF Definition)**

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

### **Specialist Housing for Older People**

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

### **Social Rented Housing**

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.<sup>21</sup>

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<sup>21</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

