

Willington

Housing Needs Assessment (HNA)

January 2023

Quality information

Prepared by	Checked by	Approved by
Chris Binns Consultant Town Planner	Olivia Carr Housing Consultant	Paul Avery Principal Consultant Housing

Revision History

Revision	Revision date	Details	Authorized	Name	Position
1	November 2022	First Draft	CB	Chris Binns	Consultant Town Planner
2	December 2022	Internal Review	OC	Olivia Carr	Housing Consultant
3	January 2023	Group Review	JH	John Houghton	Parish Council Clerk
4	April 2023	Locality Review	MG	Madeleine Gohin	Neighbourhood Planning Officer Locality
5	May 2023	Final Report	CB	Chris Binns	Consultant Town Planner

Prepared for: Willington Neighbourhood Development Plan Group

Prepared by:

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

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Table of Contents

1.	Executive Summary.....	7
2.	Context.....	13
	Local context.....	13
	The Housing Market Area Context.....	14
	Planning policy context.....	15
	Policies in the adopted local plan.....	15
	Quantity of housing to provide.....	17
3.	Approach.....	18
	Research Questions.....	18
	Tenure and Affordability.....	18
	Type and Size.....	18
	Specialist Housing for Older People.....	19
	Relevant Data.....	19
4.	RQ 1: Tenure, Affordability and the Need for Affordable Housing.....	20
	Introduction.....	20
	Current tenure profile.....	22
	Affordability.....	23
	House prices.....	23
	Income.....	24
	Affordability Thresholds.....	25
	Affordable housing- quantity needed.....	31
	Affordable Housing policy guidance.....	34
	Conclusions- Tenure and Affordability.....	38
5.	RQ 2: Type and Size.....	41
	Introduction.....	41
	Existing types and sizes.....	41
	Background and definitions.....	41
	Dwelling type.....	42
	Dwelling size.....	43
	Age and household composition.....	44
	Age structure.....	44
	Household composition.....	46
	Occupancy ratings.....	46
	Dwelling mix determined by life-stage modelling.....	47
	Indicative future dwelling size mix.....	47
	Conclusions- Type and Size.....	51
6.	RQ 3: Specialist housing for older people.....	53
	Introduction.....	53
	Current supply of specialist housing for older people.....	54
	Tenure-led projections.....	54
	Housing LIN-recommended provision.....	58
	Conclusions- Specialist Housing for Older People.....	60
7.	Next Steps.....	63
	Recommendations for next steps.....	63
	Appendix A : Calculation of Affordability Thresholds.....	64

A.1	Assessment geography	64
A.2	Market housing	65
i)	Market sales	65
ii)	Private Rented Sector (PRS).....	66
A.3	Affordable Housing	67
i)	Social rent.....	67
ii)	Affordable rent.....	67
iii)	Affordable home ownership	68
Appendix B : Housing Needs Assessment Glossary		71

List of acronyms used in the text:

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

1. Executive Summary

1. Willington is a Neighbourhood Area located in the local authority area of South Derbyshire. The Neighbourhood Area boundary covers the areas administered by Willington Parish Council.
2. The Office for National Statistics mid-2020 population estimate for Willington is 3,388 individuals, showing an increase of 526 individuals since the 2011 Census.
3. There has been significant development in Willington since 2011, with South Derbyshire providing completions data from 2011 to 2022 which showed the development of 268 dwellings. The total quantity of dwellings in the NA is therefore estimated to be 1,492.
4. The proposed Neighbourhood Plan period starts in 2022 and extends to 2039, therefore comprising a planning period of 17 years
5. This Executive Summary details the conclusions of each chapter of the report, addressing the 3 research questions formulated at the outset of the research.
6. Data from the Census 2021 is being released at the local authority level throughout 2022. At present, only population and household data is available, with data on the dwelling stock expected by the end of the year. Data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.

Conclusions – Tenure and Affordability

7. In 2011 Willington had a significantly higher proportion of households owning their own home than South Derbyshire and England. As a result, the proportion of households living in the social and private rented sectors was significantly lower in Willington than the comparator areas. Whilst small across all areas, the proportion of households living in shared ownership dwellings was lowest in the NA.
8. Between 2012 and 2021 the median house price rose by 84.8%, increasing from £145,000 to £268,000. The lower quartile price increased by 46.5% between 2012 and 2021, increasing from £125,625 to £184,000, peaking in 2019 at £191,250.
9. The average total household income locally was £49,700 in 2018. South Derbyshire's gross individual lower quartile annual earnings were £20,168 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £40,336.
10. Local households on average incomes are able to access entry-level market homes. The median house price would require an annual income 38.7% higher than the current average. Private renting is generally only affordable to households on mean incomes or

with two lower quartile earners. Households made up of one lower quartile earner cannot afford the given rental thresholds.

11. Turning to affordable home ownership, it is recommended that First Homes are delivered at a 30% discount, making households on mean incomes and with two lower quartile earners able to access home ownership. Increasing the discount further does not make the product accessible to any further groups and also presents challenges with viability. Shared ownership appears to be more affordable than First Homes but is broadly accessible to the same groups, with the exception of 10% equity which may allow a single lower quartile earning household to access home ownership. First Homes (at 40% and 50% discount) and shared ownership (at 25% and 10% equity) are more affordable options than Rent to Buy.
12. Affordable rented housing is generally affordable to households on an average income or with one or two lower earners, although average earning households are unlikely to be eligible.
13. This HNA identifies the need for 171.7 affordable rented homes and the demand for 91.9 affordable home ownership dwellings within the plan period in Wellington.
14. Table 4-7 proposes an indicative Affordable Housing tenure mix for Affordable Housing in the NA. It suggests that 67% of Affordable Housing is delivered as social/affordable rented dwellings and the remaining 33% as affordable home ownership products. It is recommended that 25% of Affordable Housing is delivered as First Homes (30% discount) and 8% as shared ownership.
14. The expected level of delivery outlined in Table 4-8 does not meet the quantity of demand identified in estimates of the need for affordable housing. 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 wants to consider exceeding the Local Plan policy requirement in the neighbourhood plan 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.
15. 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.

Conclusions – Type and Size

16. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be

considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

17. In both 2011 and 2021, the greatest proportion of dwellings were detached and semi-detached. Between 2011 and 2021 there was a slight decrease in these types, likely due to bungalows being categorised in the 2021 VOA data and not in the 2011 Census data. The proportion of terraced dwellings and flats grew slightly over the decade. In 2021 Willington had a similar proportion of bungalows to South Derbyshire and England. The NA had a smaller proportion of terraced dwellings than the comparator areas but a larger proportion of semi-detached and detached dwellings than nationally.
18. In 2011 and 2021 the majority of properties in Willington had 3-bedrooms. This is followed by 2-bedroom and 4-bedroom properties, with the former increasing and the latter decreasing between 2011 and 2021. In 2021 Willington had a significantly smaller proportion of 1-bedroom dwellings compared to England, and slightly smaller than South Derbyshire. Whilst slightly lower, the proportion of 2-bedroom properties in Willington was similar to South Derbyshire, although the difference is greater when comparing the NA to England. Whilst being slightly lower than South Derbyshire, Willington had a higher proportion of 4-bedroom properties compared to England.
19. In 2011 the greatest proportion of the population was 45-64, followed by 25-44 in the NA. In 2020 the 45-64 age category remained the largest, with 65-84 being the second largest category. The number of individuals falling into the 0-15, and 25-44 age categories fell between 2011 and 2020, whilst the number of people grew in all other categories.
20. Population growth can be expected to be driven by the oldest households, with a 110% increase expected in households with a household reference person aged 65 and over during the plan period.
21. Willington has a slightly lower proportion of one person households compared to England, South Derbyshire is 3% lower. It can also be seen that Willington (67.8%) and South Derbyshire (69.3%) have a higher proportion of one family only households compared to England (63.0%). Finally, Willington (2.9%) and South Derbyshire (3.7%) have a lower proportion of other household types compared to England (6.9%). In terms of sub-categories, it can be seen that Willington and South Derbyshire have a higher proportion of families with no children and a higher proportion of those 65/66 and over compared to England. It is interesting to observe that the non-dependent children category grew by 6.9% between 2011 and 2021 in the parish compared to an increase of 22.6% at district level and 16.7% nationally.
22. Under-occupancy was relatively common in Willington, with 35.9% of households lived in a dwelling with one additional bedroom based on their household size and 45.3% of households living in a dwelling with at least 2 extra bedrooms. Under-occupancy is most common in older households and households with no children, suggesting that the larger

housing isn't being occupied by households with the most family members, but by the people with the most wealth or by older people who have been unable or unwilling to downsize. There is some over-occupancy in households with dependent and adult children.

23. AECOM modelling suggests that in order to meet the indicative mix of housing by the end of the plan period, 35.3% of new properties should be delivered as 2-bedroom dwellings. This is followed by 34.4% of properties having 3-bedrooms and 20.4% having 4-bedrooms. 1-bedroom and 5+bedroom dwellings should equate to 5.9% and 4.0% of new properties respectively. It is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options.

Conclusions – Specialist Housing for Older People

24. There are currently 16 units of existing specialist housing for older people in Wellington. All 16 units are flats available for social rent.
25. In 2011 197 people aged 75+ lived in Wellington, equating to 6.9% of the NA population. By 2039, this is expected to increase to 485 residents in this age category, equating to 12.1% of the overall NA population. 2021 Census data shows that there are 321 people aged 75+ in Wellington, equating to 9.8% of the NA population.
26. 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.
27. These two methods of estimating the future need in Wellington produce a range of 72 to 101 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.
28. AECOM calculations show that there is a total need for 101 specialist housing units in the NA during the plan period. Of the 101, it is suggested that 13.9% are delivered as affordable, with an equal split of housing with care and sheltered housing. It is suggested that 86.1% should be delivered as market housing, with 57.5% housing with care and 42.5% sheltered housing. It should be noted that especially in households with a need for market sheltered housing, it is likely that at home adaptations could meet some of this need.
29. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is

acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).

30. Local Plan policy H20 provides encouragement for development to accommodate specific groups, including single occupiers, people with disabilities, people wanting to build their own homes, and the aging population. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). Government is considering mandating M4(2) on newly erected dwellings¹, although changes to Building Regulations have not yet been made. The evidence gathered here would appear to justify the Neighbourhood Development Plan 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.
31. 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, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants in the district falling into this category.
32. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
 - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
33. 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).
34. It is considered that Willington is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Willington in other

¹ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes) (www.gov.uk)

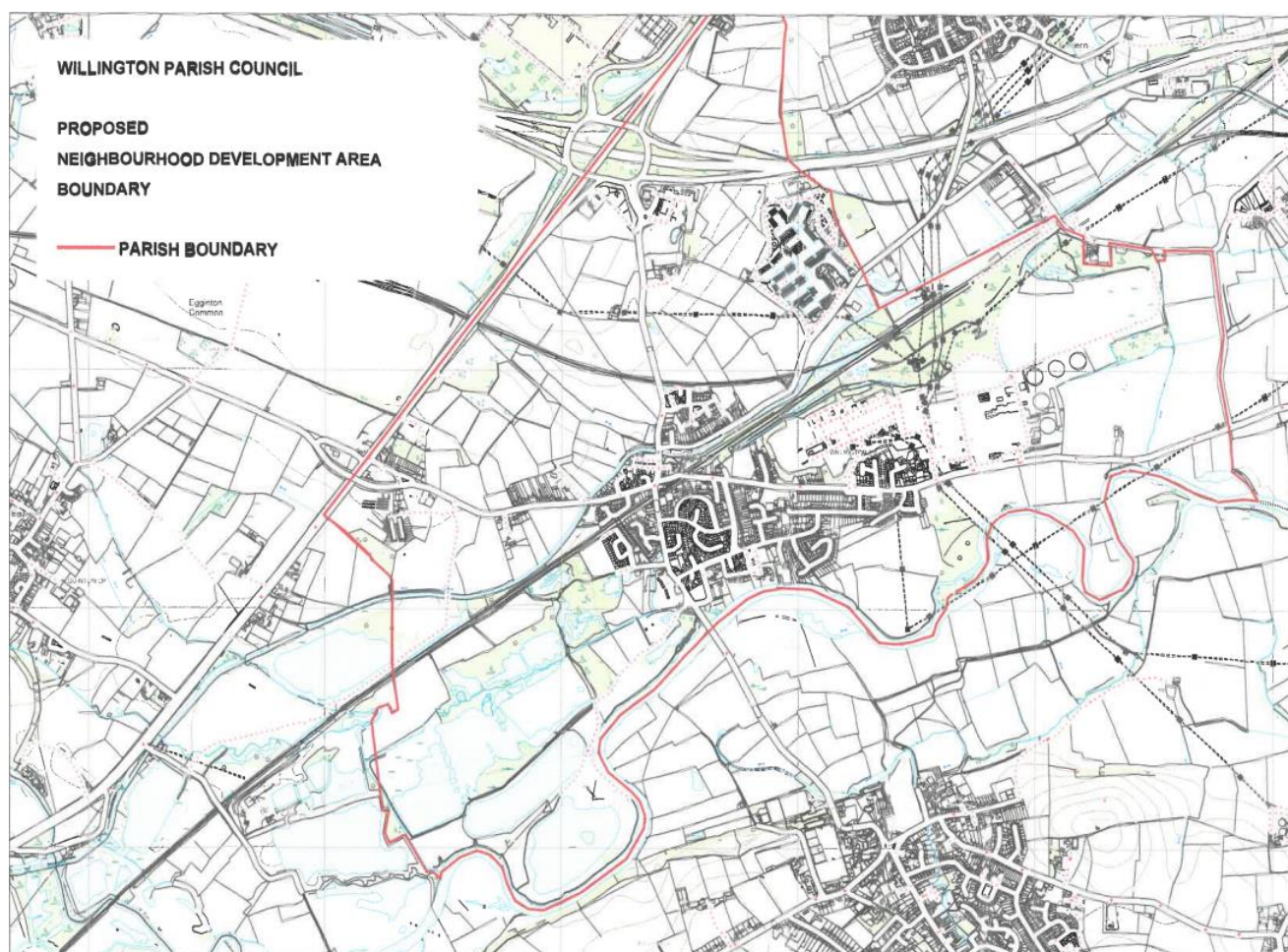
suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself.

2. Context

Local context

35. Willington is a Neighbourhood Area located in South Derbyshire, Derbyshire. The Neighbourhood Area (NA) boundary is the same as the parish boundary and was designated in 2020.
36. The proposed Neighbourhood Plan period starts in 2022 and extends to 2039, therefore comprising a planning period of 17 years. The evidence supplied in this report will look forward to the Plan end date of 2039, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
37. Willington is a rural village in South Derbyshire, approximately 10km southwest of Derby and 7km northeast of Burton upon Trent. The A50 Derby Southern Bypass passes north of the NA, whilst the A38 passes to the west. The B5008 and A5132 connect these dual carriageways to the NA. Willington has a train station, located in the middle of the area, providing connections to Nottingham and Birmingham.
38. For Census purposes, the Neighbourhood Area is made up, like the rest of England, of statistical units called Output Areas (OAs), which make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The Plan area equates to the following OAs and LSOAs, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses:
- OA E00100603;
 - OA E00100605;
 - OA E00100607;
 - OA E00100610; and
 - LSOA E01019880.
39. The statistics show that in the 2011 Census the NA had a total of 2,862 residents, formed into 1,201 households and occupying 1,224 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Willington is 3,388 – indicating population growth of around 526 individuals since 2011. It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count. The 2021 Census counts 1,468 households, an increase of 267 since 2011.
40. Completions data from South Derbyshire District Council shows that between 2011 and 2022 there have been 268 housing completions in the NA, closely aligning with the increase of 267 households between 2011 and 2021.
41. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Willington Neighbourhood Area²



Source: South Derbyshire Council website

The Housing Market Area Context

42. Whilst this HNA focuses on Willington neighbourhood area 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. In the case of Willington, the parish sits within a housing market area which covers the South Derbyshire district.¹ This means that when households who live in these authorities move home, the vast majority move within this geography. The SHMA also identified three key sub-areas within South Derbyshire; Derby Fringe, Swadlincote & South, and North West.
43. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Willington, are closely linked to other areas. In the case of Willington, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. For example, the NA's proximity to Derby may impact this.

² Available at [District-wide evidence | South Derbyshire District Council](#)

44. In summary, Willington functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (South Derbyshire), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

45. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.³ In the case of Willington, the relevant adopted Local Plan for South Derbyshire is outlined below.

46. The adopted Local Plan for South Derbyshire consists of two key documents. The Local Plan Part 1⁴ was adopted on 13th June 2016 and covers the period 2011 to 2028. This is the strategic element of the Local Plan, setting out the long-term vision, objectives and strategy for the spatial development of South Derbyshire. The Local Plan Part 2⁵ was adopted on 2nd November 2017 and proposes non-strategic housing allocations and detailed development management policies.

47. South Derbyshire is currently in the process of updating its Local Plan and has recently conducted the Issues and Options consultation. Therefore, no new policies have yet been drafted.

Policies in the adopted local plan

48. Table 2-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Willington.

Table 2-1: Summary of relevant adopted policies in the South Derbyshire adopted Local Plan (Part 1 and Part 2)

Policy	Provisions
LP1 – Policy S1 – Sustainable Growth Strategy	Over the plan period (2011-2028) at least 12,618 dwellings will be built within South Derbyshire. The housing sites required will be met on a mixture of brownfield and greenfield sites with encouragement given to the re-use of previously developed land.
LP1 – Policy S4 – Housing Strategy	Provision will be made in this plan for at least 12,618 additional dwellings over the plan period. The dwellings will be split between the Local Plan Part 1 and 2 as follows: A – Part 1 strategic sites (greater than 99 dwellings) allocated to accommodate the majority of the housing target.

³ 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>

⁴ [Adopted Local Plan | South Derbyshire District Council](#)

⁵ [Adopted Local Plan | South Derbyshire District Council](#)

Policy

Provisions

B – The Part 1 allocations are to be made as follows:

- Urban Areas – Swadlincote, edge of Derby, and the edge of Burton upon Trent.
- Key Service Villages – strategic sites in Aston on Trent, Etwall, Hatton, Hilton, and Repton.

C – Local Plan Part 2 – 600 dwellings will be allocated across non-strategic sites (less than 100 dwellings).

D – The Council will maintain a five year rolling land supply of specific deliverable sites with additional buffers in accordance with the NPPF.

LP1 - Policy H1 - The Settlement Hierarchy is as follows:

Settlement
 Hierarchy

- 1 – Urban Areas;
- 2 – Key Service Villages (including Willington);
- 3 – Local Service Villages;
- 4 – Rural Villages;
- 5 – Rural Areas.

The level of development for each settlement will be of a scale appropriate to the size and role of that settlement.

For Key Service Villages, development of all sizes within the settlement boundaries will be considered appropriate and sites adjacent to settlement boundaries as an exceptions or cross subsidy site as long as not greater than 25 dwellings.

LP1 - Policy H20
 - Housing
 Balance

The Council will seek to provide a balance of housing that includes a mix of dwelling type, tenure, size and density. The overall mix of housing will take account of the Strategic Housing Market Assessment (SHMA) and Local Housing Needs Study.

The Council will also promote a mix of housing that is suitable and adaptable for different groups of people such as single occupiers, people with disabilities, people wanting to build their own homes, and the ageing population of the District.

LP1 - Policy H21
 - Affordable
 Housing

The Council will seek to secure up to 30% of new housing development as affordable housing as defined in the NPPF on sites of over 15 dwellings. The tenure mix and dwelling type on the site will be based on the SHMA or other up to date housing evidence in conjunction with the Council

Rural exception sites that are kept in perpetuity as affordable housing for local people, will be permitted adjoining existing Key Service Villages, Local Service Villages and Rural Villages. The number of

Policy

Provisions

dwellings will be in accordance with Policy H1 as an exceptional circumstance to normal policy where:

- The homes meet a clearly identified local need;
- The development provides a majority of affordable homes;
- The need cannot reasonably be met within the development limits of the village concerned or the sub-market area the site falls within as detailed in the SHMA; and
- The development is in a scale relative to the settlement size and facilities available particularly public transport and does not have any unacceptable adverse impacts on the natural and built environment.

LP2 – Policy H23 23I - Site ‘Off Kingfisher Lane, Willington’ is allocated for housing – Non-Strategic development of around 50 dwellings (S/0266).

Housing
Allocations

Policy 23I Off Kingfisher way,
Willington

Housing allocation for 50 dwellings

Source: South Derbyshire District Council

Quantity of housing to provide

49. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
50. Willington does not benefit from a specific housing requirement or need figure from SDDC over and above allocations made as part of the Local Plan. A site for 50 homes is allocated in Willington in the Local Plan. That figure of 50 homes is used here as the best representation of the likely scale of delivery in the NA during the Plan period.

3. Approach

Research Questions

51. The following research questions were formulated at the outset of the research through discussion with the Wellington Neighbourhood Development Plan Group. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

52. The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.
53. This evidence will allow Wellington to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.
54. The neighbourhood planners are interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

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

Type and Size

55. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community.
56. The aim of this research question is to provide neighbourhood planners with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.
57. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends.
58. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

Specialist Housing for Older People

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

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

Relevant Data

60. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from a range of other data sources, including:

- Census 2011 and Census 2021 (the latter only available at the local authority level at present)
- 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;
- Local Authority housing waiting list data; and
- South Derbyshire District Council Strategic Housing Market Assessment, January 2020⁶.

61. Data from the Census 2021 is being released at the local authority level throughout 2022. At present, only population and household data is available, with data on the dwelling stock expected by the end of the year. Data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.

⁶ [District-wide evidence | South Derbyshire District Council](#)

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

RQ1: What Affordable Housing (eg social housing, affordable rented, shared ownership, discounted market sale, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

Introduction

62. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
63. 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). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
64. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. The NPPF defines Affordable Housing as *'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'*⁷. The full document further outlines the tenures included in this definition. Those outlined in Table 4-1 would fall under this NPPF definition of Affordable Housing.

⁷ Available here -

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf

Table 4-1: Breakdown of Affordable Housing tenures

Tenure	Rent/Ownership	Brief Description
Social Rent	Rent	<p>This tenure is owned by local authorities (what used to be called Council housing) and private registered providers (also known as housing associations).</p> <p>Guideline target rents are determined through the national rent regime and are typically the lowest-cost form of housing available.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Affordable Rent	Rent	<p>This is similar to Social Rent (above). Affordable Rent is not subject to the national rent regime but must have a rent of no more than 80% of the local market.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Rent to Buy	Combination	<p>Rent to Buy is a relatively uncommon tenure. Subsidy allows the occupant to save a portion of their rent to be used to build up a deposit to eventually purchase the home.</p>
Shared Ownership	Ownership	<p>An affordable home ownership product where a purchaser buys part (generally between 25% and 75% but can be as little as 10%) of the value of the property. The remaining (un-owned part) is rented from a housing association or local authority.</p> <p>This Generally applies to new build properties, but re-sales occasionally become available.</p>
First Homes	Ownership	<p>First Homes are an affordable home ownership product introduced in 2021. Discounts on the market price can be set at 30%, 40%, or 50%.</p> <p>New developments will be required to provide 25% of the Affordable Housing as First Homes. This product is discussed in more detail in the commentary following this table.</p>

65. As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021.⁸ Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth

⁸ 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>.

summarising its key features and implications:

- 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.

Current tenure profile

66. 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.
67. Table 4-2 presents data on tenure in Willington compared with South Derbyshire and England from the 2011 Census, which is the most recent available source of this information.
68. It can be seen that Willington had a higher proportion of households that owned their property compared to district and national figures, 10.7 percentage points higher than South Derbyshire and 22.8 percentage points higher than England. As a result, the proportion of households living in social and private rented dwellings was significantly lower in Willington compared to South Derbyshire and England. Whilst small across all areas, there were fewer households living in shared ownership dwellings in Willington than the comparator areas.

69. South Derbyshire District Council provided completions data for the last decade but it does not break the data down into market and affordable housing so the current mix is unknown.
70. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Willington the private rented sector expanded by 347.8% in that period, a rate of growth that was significantly higher than the national growth of 82.4%.

Table 4-2: Tenure (households) in Willington, 2011

Tenure	Willington	South Derbyshire	England
Owned	86.1%	75.4%	63.3%
Shared ownership	0.1%	0.3%	0.8%
Social rented	3.8%	9.9%	17.7%
Private rented	8.6%	13.0%	16.8%

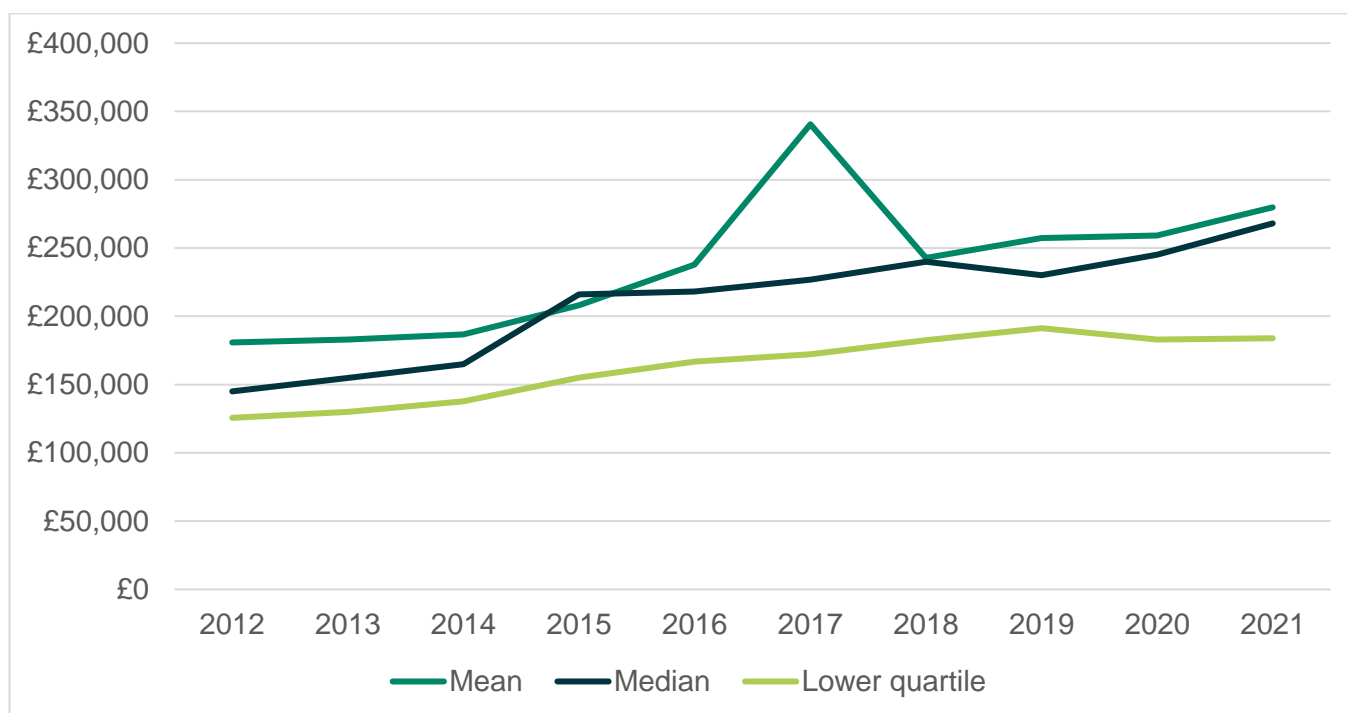
Sources: Census 2011, AECOM Calculations

Affordability

House prices

71. 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.
72. Figure 4-1 looks at the average and lower quartile house prices in Willington based on sales price data published by the Land Registry. It shows that the median, which is the middle number when you sort the data from smallest to largest, house price increased by 84.8% between 2012 and 2021, increasing from £145,000 to a peak of £268,000.
73. 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 generally higher than the median. Whilst the mean followed a similar overall trend to the median, there was a clear peak in 2017.
74. The lower quartile price increased steadily by 46.5% between 2012 and 2021, increasing from £125,625 to £184,000. The lower quartile house price peaked in 2019 at £191,250.

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



Source: Land Registry PPD

75. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that the highest levels of price growth have been seen in semi-detached properties, increasing by 54.6% between 2012 and 2021. This is closely followed by detached properties increasing by 52.8% in the same period. Detached prices remained consistently the highest despite greater growth in the price of semi-detached dwellings. Terraced properties increased by 42.5% whilst flats increased by 21.1%. However, it can be seen that there have been very few sales of flats in the plan area during this period, not unusual for rural parishes as there is often little stock. There was some fluctuation in prices year-on-year, potentially due to relatively small sample sizes and factors such as the size, condition, and location of dwelling having an impact on price.

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

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£221,000	£220,000	£202,000	£269,995	£260,475	£250,000	£281,248	£310,000	£300,000	£337,750	52.8%
Semi-detached	£140,000	£132,500	£145,000	£164,500	£175,500	£180,995	£193,500	£204,000	£190,000	£216,500	54.6%
Terraced	£120,000	£155,500	£150,975	£119,250	£147,000	£158,500	£130,000	£160,000	£169,250	£171,000	42.5%
Flats	-	£95,000	-	-	-	-	-	-	-	£115,000	21.1%
All Types	£145,000	£154,750	£164,975	£216,000	£218,000	£226,750	£240,000	£230,000	£245,000	£268,000	84.8%

Source: Land Registry PPD

Income

76. 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.

77. 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 £49,700 in 2018. A map of the area to which this data applies is provided in Appendix A.
78. 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 Derbyshire's gross individual lower quartile annual earnings were £20,168 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £40,336.
79. 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

80. 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.
81. AECOM has determined thresholds for the income required in Willington 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 A.
82. 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.
83. The mortgage multiplier is particularly variable, with 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.
84. The percentage of income to be spent on rent also 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.

85. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter the picture of affordability that emerges here. This is another reason to interpret the findings with a degree of flexibility.

86. 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.

87. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £49,700	Affordable on LQ earnings (single earner)? £20,168	Affordable on LQ earnings (2 earners)? £40,336
Market Housing						
Median House Price	£241,200	-	£68,914	No	No	No
Estimated NA New Build Entry-Level House Price	£195,671	-	£55,906	No	No	No
LQ/Entry-level House Price	£165,600	-	£47,314	Yes	No	No
LA New Build Median House Price	£233,955	-	£66,844	No	No	No
Average Market Rent	-	£11,268	£37,560	Yes	No	Yes
Entry-level Market Rent	-	£9,036	£30,120	Yes	No	Yes
Affordable Home Ownership						
First Homes (-30%)	£136,970	-	£39,134	Yes	No	Yes
First Homes (-40%)	£117,403	-	£33,544	Yes	No	Yes
First Homes (-50%)	£97,836	-	£27,953	Yes	No	Yes
Shared Ownership (50%)	£97,836	£2,718	£37,012	Yes	No	Yes
Shared Ownership (25%)	£48,918	£4,076	£27,565	Yes	No	Yes
Shared Ownership (10%)	£19,567	£4,892	£21,897	Yes	Marginal	Yes
Affordable Rented Housing						
Affordable Rent	-	£5,193	£17,293	Yes	Yes	Yes
Social Rent	-	£4,989	£16,613	Yes	Yes	Yes

Source: AECOM Calculations

88. Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give a sufficiently robust 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

89. Thinking about housing for purchase on the open market, it appears that local households on average incomes are able to access entry-level homes. The median house price would require an annual income 38.7% higher than the current average.
90. Private renting is generally only affordable to households on mean incomes or with two lower quartile earners. Households made up of one lower quartile earner cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

91. There is a relatively large group of households in Wellington who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £30,120 per year (at which point entry-level rents become affordable) and £47,314 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
92. 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.
93. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. In Wellington, it is recommended that First Homes are delivered at a 30%, allowing households on mean incomes and with two lower quartile earners to access home ownership. Increasing the discount further does not make the product accessible to any further groups and also presents challenges with viability, as discussed further in the Appendix.
94. Table 4-5 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, as outlined in the Appendix. It is also worth considering the discounts required for some additional price benchmarks. The table above uses the calculated NA new build entry-level house price as the best estimate for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing. 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 4-5: Discount on sale price required for households to afford First Homes in Willington

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA Median House Price	28%	71%	41%
NA Estimated New Build Entry-Level House Price	11%	64%	28%
NA Entry-Level House Price	0%	57%	15%
LA Median New Build House Price	26%	70%	40%

Source: Land Registry PPD; ONS MSOA total household income

95. Shared ownership appears to be more affordable than First Homes but is broadly accessible to the same groups, with the exception of shared ownership at 10% equity which may marginally allow households with one lower quartile earner to access ownership. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.⁹ If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
96. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
97. The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford market rents. On that basis, First Homes (at 40% and 50% discount) and shared ownership (at 25% and 10% equity) are more affordable options.
98. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
 - First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.

⁹ 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>.

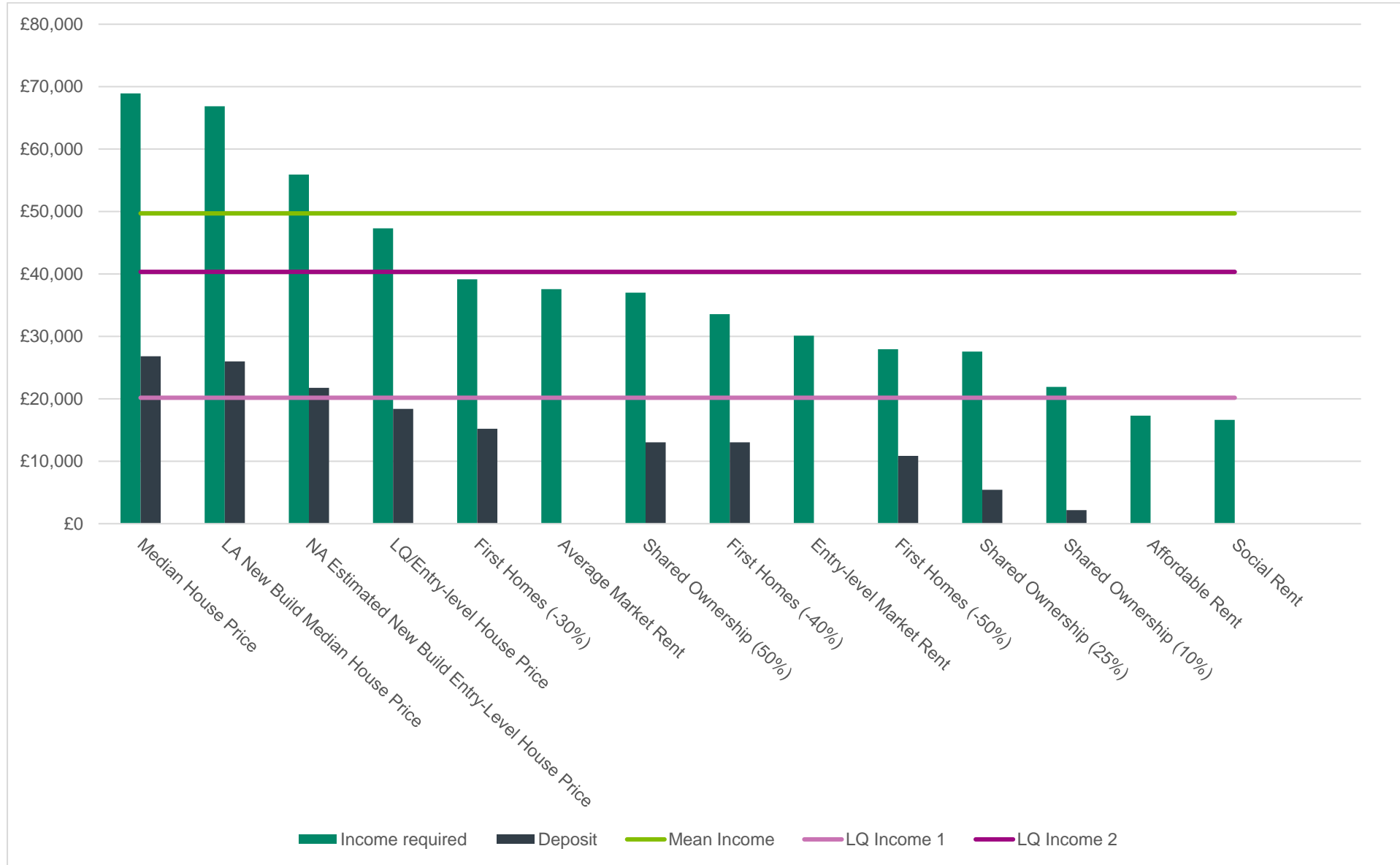
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly 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.

99. In conclusion, all of these products would provide value to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder, while Rent to Buy is helpful to those with little or no savings for a deposit, and First Homes (especially at 50% discount) may provide a better long-term investment to those who can afford to access it.

Affordable rented housing

100. Affordable rented housing is generally affordable to households with one or two lower earners depending on their household size (average earning households are unlikely to be eligible).
101. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Wellington as potentially 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.

Figure 4-2: Affordability thresholds in Willington, income required (additional cost of deposit in black)



Source: AECOM Calculations

Affordable housing- quantity needed

102. The starting point for understanding the need for affordable housing in Willington is the relevant Strategic Housing Market Assessment (SHMA). A SHMA was undertaken for South Derbyshire in January 2020. This study estimates the need for affordable housing in the District based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time. The SHMA identifies the net need for 325 social and affordable rented dwellings each year in South Derbyshire as a whole.
103. When the SHMA figures are pro-rated to Willington based on its fair share of the population (3.1% of the LPA's population), this equates to 10.1 homes per annum for social/affordable rent or 171.7 homes over the Neighbourhood Plan period (2022-2039). Pro-rating District level estimates of affordable housing need to rural areas can present problems in practice. The District level figures are likely to represent higher needs in the urban areas of the District where there is a large social housing stock and larger numbers of households living in the PRS on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural villages like Willington 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 Willington. Turning to Affordable Housing providing a route to home ownership, the SHMA estimates an annual surplus of 22 dwellings per annum across South Derbyshire. The SHMA arrives at this figure by suggesting that 50% of sales at the lower end of the mainstream housing market would satisfy the need of this category. Whilst some properties priced below the lower quartile level may be affordable to some households who need affordable home ownership products, AECOM expect that the extent of this is limited for the following reasons:
- a) The majority of these households have insufficient deposits and deposit requirements are not reduced substantially enough at the cheaper end of the market;
 - b) Properties priced below lower quartile levels tend to be small and will not be suitable for all households (e.g. families); and
 - c) The lowest priced properties may be in poor condition and/or requiring substantial investment to ensure they are habitable.
104. AECOM have therefore undertaken calculations for the demand for Affordable Housing providing a route to home ownership. Table 4-6 estimates the potential demand in Willington. This model aims to estimate the number of households that might wish to own their own home but cannot afford to – the 'can rent, can't buy' group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households

currently living in or expected to enter the private rented sector who are not on housing benefit.

105. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.¹⁰ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
106. The result of the calculation is 5.4 households per annum who may be interested in affordable home ownership (or 91.9 for the entirety of the Plan period).
107. Again, this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently.
108. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

¹⁰ <http://www.ipsos-mori-generations.com/housing.html>

Table 4-6: Estimate of the potential demand for affordable housing for sale in Willington

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in parish	125.6	Census 2011 number of renters x national % increase to 2018.
1.2 Percentage renters on housing benefit in LA	24.1%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in parish	30.2	Step 1.1 x Step 1.2.
1.4 Current need (households)	71.5	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ¹¹
1.5 Per annum	4.2	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	342.2	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	5.1%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	17.4	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	1.3	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	2.6	Number of shared ownership homes in parish (Census 2011 + LA new build to 2018/19 pro rated to NA).
3.2 Supply - intermediate resales	0.1	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall (or surplus) per annum	5.4	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall (or surplus) over the plan period	91.9	(Step 1.4 + Step 2.3) – Step 3.2 * number of years to end of plan

Source: AECOM model, using Census 2011, English Housing Survey 2018, DLUHC 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency.

109. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

¹¹ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNA and SHMA. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

110. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable Housing policy guidance

111. South Derbyshire's adopted policy on this subject, Policy H21 (Affordable Housing), requires 30% of all new housing to be affordable. Given that it is unknown what percentage of new housing in Willington was Affordable Housing over the last decade according to South Derbyshire completions figures, it is not known whether this target is usually met on sites in the NA.
112. 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 emphasising that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.
113. 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. The HNA can supply more localised evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Willington specifically.
114. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:
- A. **Evidence of need for Affordable Housing:** This study estimates that Willington requires roughly 171.7 units of affordable rented housing and 91.9 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.
- The relationship between these figures suggests that 65.1% of Affordable Housing should be rented and 34.9% should offer a route to ownership. However, as noted above, these figures are 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.
- If the quantity of new housing overall were unlimited, 65% to 35% may be an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.
- B. **Can Affordable Housing needs be met in full?** 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.

If the Local Plan target of 30% were achieved on every site, up to around 15 affordable homes might be expected in the NA. Willington's HRF is expected to come forward in a relatively large site of c.50 dwellings, over the Affordable Housing threshold. If further housing was to come forward in the form of small infill developments, those schemes are unlikely to be large enough to meet the threshold of 15 dwellings, above which the Affordable Housing policy applies. The level of expected delivery in the NA is not sufficient to satisfy the total potential demand for Affordable Housing identified here.

As a result, affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority. But given the expected volume of future delivery it is reasonable to assume that supply will be limited and affordable rented accommodation should be prioritised.

- C. **Government policy (e.g. NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in South Derbyshire, where 30% of all housing should be affordable, 33% of Affordable Housing should be for affordable ownership.

There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA There is no evidence that meeting the 10% threshold in Willington would prejudice the provision of much needed affordable rented homes.

- D. **Local Plan policy:** As noted above, the adopted Local Plan states that the tenure split should be determined by the most up to date evidence.
- E. **First Homes policy:** 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.

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 is not the case in South Derbyshire as the adopted Local Plan does not specify a tenure split for Affordable Housing.

National policy dictates that 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 relevant Local Plan, with any remaining units allocated to other tenure products in the relative proportions set out in the Local Plan.

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. If this approach is taken, all other things being equal, it would reduce the provision of rented forms of affordable housing since it would effectively protect the provision of other forms of affordable home ownership alongside First Homes. 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.

This guidance generally applies to district-level policy, and there may still be potential for a neighbourhood plan tenure mix to deviate from how the other tenures are rebalanced if appropriate.

- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the 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.
 - G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
 - H. **Existing tenure mix in Willington:** evidence suggests there is limited Affordable Housing (either to rent or for sale) within the NA at present. This suggests that some provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.
 - I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
 - J. **Wider policy objectives:** the neighbourhood planning group may wish to take account of broader policy objectives for Willington 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.
115. On the basis of the considerations above, Table 4-7 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.
116. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be significantly lower than the needs identified in this HNA. In this context, affordable rented tenures should be prioritised, with the

need for rented tenures also greater than the demand for affordable home ownership products. It is suggested that 33% of Affordable Housing is delivered as affordable home ownership products and 67% as affordable rented tenures. This suggested mix complies with the relevant national policies.

117. Looking at affordable home ownership specifically, it is recommended that First Homes represent 25% of the mix, in line with national policy. It is recommended that these are delivered at a 30% discount. To maximise choice, the remaining 8% is suggested to be allocated to shared ownership, with the lowest equity (10%) potentially allowing households with a single lower quartile earner to access home ownership.
118. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
119. Where the neighbourhood planning 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 South Derbyshire District Council to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
120. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

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

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	33%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	8%	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.
Affordable Housing for rent, of which	67%	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

121. In 2011 Willington had a significantly higher proportion of households owning their own home than South Derbyshire and England. As a result, the proportion of households living in the social and private rented sectors was significantly lower in Willington than the comparator areas. Whilst small across all areas, the proportion of households living in shared ownership dwellings was lowest in the NA.
122. Between 2012 and 2021 the median house price rose by 84.8%, increasing from £145,000 to £268,000. The lower quartile price increased by 46.5% between 2012 and 2021, increasing from £125,625 to £184,000, peaking in 2019 at £191,250.
123. The average total household income locally was £49,700 in 2018. South Derbyshire's gross individual lower quartile annual earnings were £20,168 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £40,336.

124. Local households on average incomes are able to access entry-level market homes. The median house price would require an annual income 38.7% higher than the current average. Private renting is generally only affordable to households on mean incomes or with two lower quartile earners. Households made up of one lower quartile earner cannot afford the given rental thresholds.
125. Turning to affordable home ownership, it is recommended that First Homes are delivered at a 30% discount, making households on mean incomes and with two lower quartile earners able to access home ownership. Increasing the discount further does not make the product accessible to any further groups and also presents challenges with viability. Shared ownership appears to be more affordable than First Homes but is broadly accessible to the same groups, with the exception of 10% equity which may allow a single lower quartile earning household to access home ownership. First Homes (at 40% and 50% discount) and shared ownership (at 25% and 10% equity) are more affordable options than Rent to Buy.
126. Affordable rented housing is generally affordable to households on an average income or with one or two lower earners, although average earning households are unlikely to be eligible.
127. This HNA identifies the need for 171.7 affordable rented homes and the demand for 91.9 affordable home ownership dwellings within the plan period in Wellington.
128. Table 4-7 proposes an indicative Affordable Housing tenure mix for Affordable Housing in the NA. It suggests that 67% of Affordable Housing is delivered as social/affordable rented dwellings and the remaining 33% as affordable home ownership products. It is recommended that 25% of Affordable Housing is delivered as First Homes (30% discount) and 8% as shared ownership.
129. Table 4-8 summarises Wellington'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 4-8: Estimated delivery of Affordable Housing in Willington

	Step in Estimation	Expected delivery
A	Residual sum of allocations	50
B	Affordable housing quota (%) in LPA's Local Plan	30%
C	Potential total Affordable Housing in NA (A x B)	15
D	Rented % (e.g. social/ affordable rented)	67%
E	Rented number (C x D)	10.1
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	33%
G	Affordable home ownership number (C x F)	4.9

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

130. This expected level of delivery does not meet the quantity of demand identified in estimates of the need for affordable housing. 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 wants to consider exceeding the Local Plan policy requirement in the neighbourhood plan 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.
131. 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.

5. RQ 2: Type and Size

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

Introduction

132. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Willington in terms of type and size, as well as some of the population characteristics that tend to influence housing needs. From this, it is possible to develop an understanding of what sort of housing would be appropriate going forward.
133. It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The evidence in this section, particularly the indicative size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

Existing types and sizes

Background and definitions

134. Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those having more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.
135. This study is concerned primarily with need rather than demand. Need for homes of different sizes is chiefly determined by the number of people occupying the home. In the strict sense, there is no ‘need’ for dwellings of any particular type, other than the specific needs of those with certain disabilities for level access properties, for example.
136. The best proxy for the number of people in a household is age or ‘life stage’, with younger and then older households tending to have one or two people, and those in between these poles more likely to have larger families including children. Life stage is therefore a main indicator considered here for the size of housing needed. But it is worth pointing out that wealth is also correlated with age, so it is not possible to attain a pure view of what is needed from the secondary data alone.
137. It is also useful to clarify the terminology around dwellings and households. Dwellings are counted in the Census by combining address information with Census returns on whether people’s accommodation is self-contained. As such,

all dwellings are classified as either shared or unshared dwellings. Households are groups of people who live together as a coherent unit (such as a family), and a dwelling is shared where there is more than one household occupying it (e.g. two families or a group of individual students). Hence, there is usually a different number of households and dwellings in any given area. The number of dwellings can also exceed that of households in areas with large numbers of holiday or second homes.

138. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. In the case of Willington, the completions data provided by South Derbyshire District Council did not break the completions down into the types or sizes of dwellings. Therefore, Valuation Office Agency (VOA) data is relied upon for this section. This covers a slightly wider area than the NA (LSOA E01019880 and LSOA E01019882) but is considered a reasonable proxy for Willington.

Dwelling type

139. In both 2011 and 2021, the greatest proportion of dwellings were detached and semi-detached. Between 2011 and 2021 there was a slight decrease in these types, likely due to bungalows being categorised in the 2021 VOA data and not in the 2011 Census data. The proportion of terraced dwellings and flats grew slightly over the decade.

Table 5-1: Accommodation type, Willington, 2011 and 2021

Dwelling type	2011 (Census)	2021 (VOA)
Bungalow	-	9.4%
Flat	2.6%	2.7%
Terrace	15.3%	17.4%
Semi-detached	41.9%	36.9%
Detached	36.1%	31.5%
Unknown/other	4.1%	2.0%

Source: ONS 2011, VOA 2021, AECOM Calculations

140. Table 5-2 shows that Willington had a similar proportion of bungalows to South Derbyshire and England. Whilst South Derbyshire (9.6%) had a smaller proportion of flats compared to England (2.7%), Willington had an even smaller proportion at just 2.7%, not unusual in rural parishes. Willington (17.4%) had a proportion of terraced houses compared to South Derbyshire (20.5%) England (26.1%). Nationally, terraced dwellings formed the largest proportion of dwelling types. Willington and South Derbyshire both had a larger proportion of semi-detached and detached dwellings compared to England, particularly detached properties.

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

Dwelling type	Willington	South Derbyshire	England
Bungalow	9.4%	9.6%	9.2%
Flat	2.7%	6.2%	23.7%
Terrace	17.4%	20.5%	26.1%
Semi-detached	36.9%	29.0%	23.7%
Detached	31.5%	32.9%	15.8%
Unknown/other	2.0%	1.7%	1.4%

Source: VOA 2021, AECOM Calculations

Dwelling size

141. Table 5-3 shows that the majority of properties in Willington had three bedrooms, at 50.1% in 2011, increasing to 57.0% in 2021. This is followed by 2-bedroom and 4-bedroom properties, with the former increasing and the latter decreasing between 2011 and 2021. There were few 1-bedroom dwellings in the NA in 2011 and this decreased from 5.2% of the stock to 2.1% in 2021.

142. VOA data helpfully shows changes that have been made to existing homes (i.e. extensions and the subdivision of rooms) but the newest data available is for 2021 – which misses any homes completed in recent months.

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

Number of bedrooms	2011 (Census)	2021 (VOA)
Studio	0.5%	-
1	5.2%	2.1%
2	22.0%	23.2%
3	50.1%	57.0%
4	18.2%	16.2%
5+	3.9%	1.4%

Source: ONS 2011, VOA 2021, AECOM Calculations

143. 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 Willington had a significantly smaller proportion of 1-bedroom dwellings compared to England, and slightly smaller than South Derbyshire. Whilst slightly lower, the proportion of 2-bedroom properties in Willington was similar to South Derbyshire, although the difference is greater when comparing the NA to England. All three areas had 3-bedroom dwellings as the greatest proportion of the stock, although the proportion in Willington was significantly greater than the comparator areas. Whilst being slightly lower than South Derbyshire, Willington had a higher proportion of 4-bedroom properties compared to England. The proportion of the largest dwellings was smaller in the NA than the district and country.

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

Number of bedrooms	Willington	South Derbyshire	England
1	2.1%	4.2%	12.6%
2	23.2%	25.8%	28.4%
3	57.0%	46.8%	43.0%
4	16.2%	19.5%	12.1%
5+	1.4%	3.0%	3.3%

Source: VOA 2021, AECOM Calculations

Age and household composition

144. Having established the current stock profile of Willington and identified recent changes to it, the evidence gathered below examines the composition and age structure of households living in the NA. Many of these indicators have a bearing on what housing might be needed in future years.

Age structure

145. Table 5-6 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. The 2011 Census data shows the greatest proportion of the population were aged 45-64, followed by 25-44. Looking to 2020, the 45-64 category remains the largest, although this is followed by individuals aged 65-84, which grew by 84.6% between 2011 and 2020. This indicates a rapidly aging population in Willington. The number of individuals falling into the 0-15, and 25-44 age categories fell between 2011 and 2020, whilst the number of people grew in all other categories.

146. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.

147. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

Table 5-6: Age structure of Willington population, 2011 and 2020

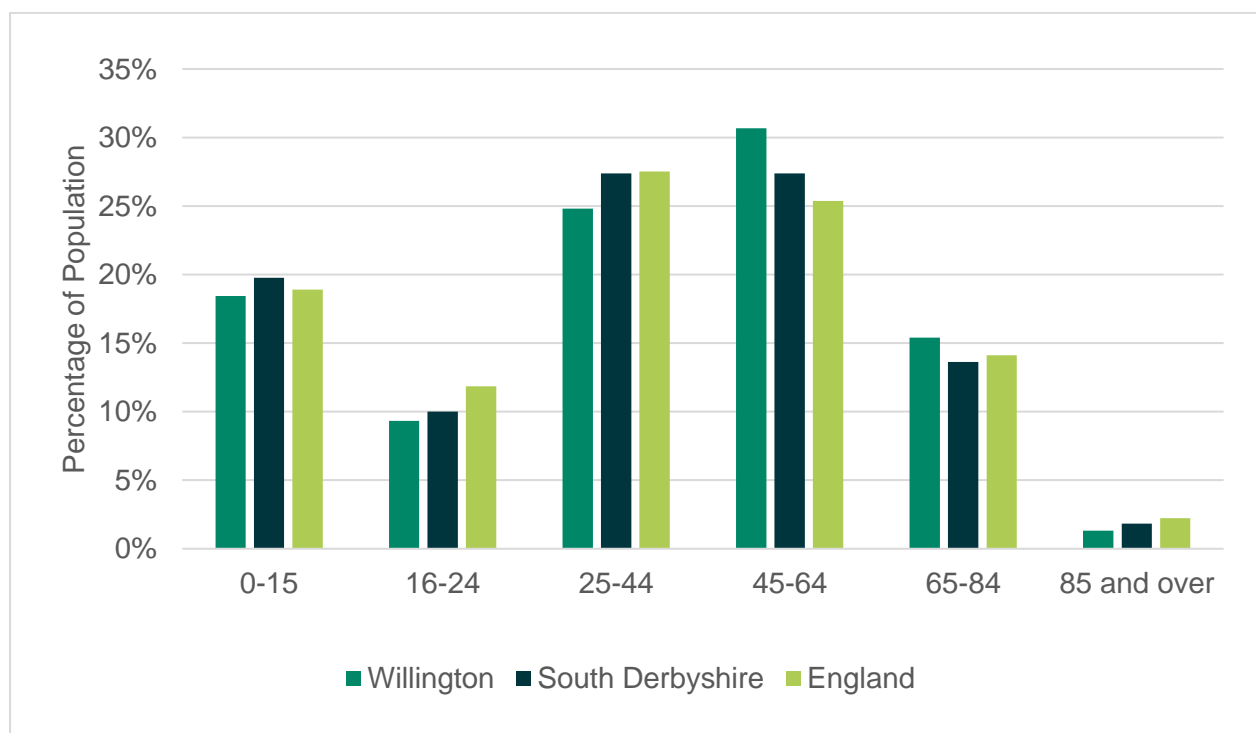
Age group	2011 (Census)		2020 (ONS, estimated)		% Change
0-15	528	18.4%	520	15.3%	-1.5%
16-24	267	9.3%	271	8.0%	+1.5%
25-44	710	24.8%	710	21.0%	0.0%
45-64	878	30.7%	1,017	30.0%	+15.8%
65-84	441	15.4%	814	24.0%	+84.6%
85 and over	38	1.3%	56	1.7%	+47.4%
Total	2,862	100.0%	3,388	100.0%	+18.4%

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

148. 2021 Census population data has now been released at Local Authority level. Between 2011 and 2021, the population of South Derbyshire has risen by 13.3%, from 94,611 residents to 107,200. This is lower than the estimated population increase in the NA of 18.4% between 2011 and 2020. This may indicate over-estimates of local population growth in the ONS population estimates.

149. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2011 Census data) shows that in 2011, whilst following a similar trend to South Derbyshire and England, Willington had a smaller proportion of the population aged 0-44- and 85 and over than both comparator areas,. There was a higher proportion of residents aged 45-84 in the NA than both South Derbyshire and England.

Figure 5-1: Age structure in Willington, 2011



Source: ONS 2011, AECOM Calculations

Household composition

150. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-7 shows that whilst Willington has a slightly lower proportion of single person households than England, the proportion in the NA is greater than South Derbyshire. It can also be seen that Willington (67.8%) and South Derbyshire (69.3%) have a higher proportion of family households than England (63.0%). In terms of sub-categories, it can be seen that Willington and South Derbyshire have a higher proportion of families with no children and a higher proportion of both families and single persons aged 66 and over than England.

151. It is interesting to note the changes in household composition between 2011 and 2021. The non-dependent children category grew by 6.9% between 2011 and 2021 in the parish compared to an increase of 22.6% at district level and 16.7% nationally. In this time the proportion of single person households aged 65/66¹² and over increased by 55.9%, compared to 26.3% in South Derbyshire and 10.1% nationally, whilst the families aged 65/66 and over grew by 90.0% in Willington, 38.0% in South Derbyshire and 19.9% nationally.

Table 5-7: Household composition, various geographies, 2021

Household composition		Willington	South Derbyshire	England
One person household	Total	29.3%	27.1%	30.1%
	Aged 66 and over	14.4%	11.4%	12.8%
	Other	14.9%	15.7%	17.3%
One family only	Total	67.8%	69.3%	63.0%
	All aged 66 and over	14.2%	10.2%	9.2%
	With no children	21.3%	21.2%	16.8%
	With dependent children	22.5%	27.4%	25.8%
	With non-dependent children ¹³	9.5%	10.1%	10.5%
	Other	0.2%	0.3%	0.8%
Other household types	Total	2.9%	3.7%	6.9%

Source: ONS 2021, AECOM Calculations

Occupancy ratings

152. 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

¹² 2011 Census data refers to households aged 65 and over whilst 2021 Census data refers to households aged 66 and over.

¹³ Refers to households containing children who are older than 18 e.g students or young working people living at home.

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.

153. Table 5-8 shows that in Willington, 35.9% of households lived in a dwelling with one additional bedroom based on their household size, with 45.3% of households living in a dwelling with at least 2 extra bedrooms. This means that 81.2% of households in Willington were under-occupying their homes. Under occupancy is most common in families and single person households aged 65+ and in families aged under 65 with no children. This may suggest that the larger housing isn't being occupied by households with the most family members, but by the people with the most wealth or by older people who have chosen not to or unable to move to smaller properties.

154. There is some over-occupancy in the NA, with this occurring in families with dependent children and families with adult children. Approximately 17.0% of households in the NA lived in a dwelling with the correct number of bedrooms for the household size.

Table 5-8: Occupancy rating by age in Willington, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	69.1%	27.3%	3.6%	0.0%
Single person 65+	56.6%	39.0%	4.4%	0.0%
Family under 65 - no children	73.2%	19.2%	7.6%	0.0%
Family under 65 - dependent children	24.3%	43.1%	28.9%	3.7%
Family under 65 - adult children	19.8%	54.2%	21.4%	4.6%
Single person under 65	45.0%	37.4%	17.5%	0.0%
All households	45.3%	35.9%	17.0%	1.8%

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

Indicative future dwelling size mix

155. As noted above, there is a strong link between the life stage of a household and the size of dwelling that household can be expected to need. The final part of this chapter presents the results of a model that aims to estimate the dwelling size needs of the parish at the end of the Neighbourhood Plan period. The steps involved in this model are not presented in full, but can be summarised – along with the underpinning assumptions and some limitations – as follows:

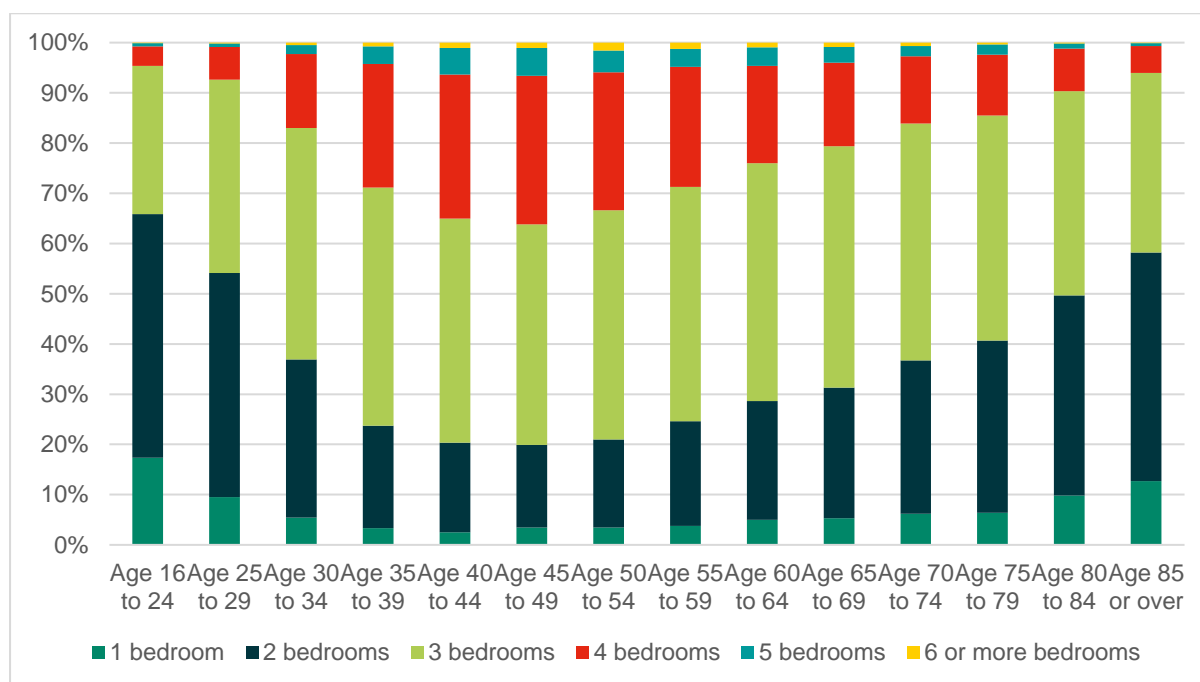
- The starting point is the age distribution of Willington households in 2011.
 - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
 - As noted above, household life stages are not estimated annually, so the older Census data must be used.

- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
 - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.
 - Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
 - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.
 - The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
 - Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
 - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.
156. It is important to keep in mind that housing need is not an exact science, and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.
157. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model 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 considered entirely appropriate for the purpose of drafting neighbourhood plan policy.

158. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.

159. The first, given as Figure 5-2, sets out the relationship between household life stage and dwelling size for South Derbyshire in 2011. This shows how the youngest households 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 Derbyshire, 2011



Source: ONS 2011, AECOM Calculations

160. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Willington households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-9 makes clear that population growth can be expected to be driven by the oldest households, with a 110% increase in households with a household reference person aged 65 and over expected during the plan period. All other categories are expected to see between 25% and 36% growth.

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

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	16	120	482	257	326
2039	21	156	603	349	685
% change 2011-2039	29%	30%	25%	36%	110%

Source: AECOM Calculations

161. The final result of this exercise is presented in Table 5-10. The model suggests that in order to meet the indicative mix by the end of the plan period, the greatest

proportion of dwellings should be delivered as 2-bedroom, at 35.3% of the mix. This is followed by the recommendation that 34.4% of dwellings are delivered as 3-bedroom and 20.4% larger 4-bedroom. A small proportion of the smallest and largest dwellings is recommended.

Table 5-10: Indicative dwelling size mix to 2039, Willington

Number of bedrooms	Current mix (2011)	Indicative mix (2039)	Balance of new housing to reach indicative mix
1 bedroom	5.2%	5.5%	5.9%
2 bedrooms	22.0%	26.6%	35.3%
3 bedrooms	50.1%	44.9%	34.4%
4 bedrooms	18.2%	19.0%	20.4%
5 or more bedrooms	3.9%	4.0%	4.0%

Source: AECOM Calculations

162. It is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It should be noted that the Neighbourhood Development Plan Group are concerned that recent development has focussed on larger executive homes. The completions data provided by the Council for the last decade does not indicate the size of dwellings built and so the exact proportions are not known. The mix outlined in Table 5-10 is therefore a starting point for thinking about how best to address the more nuanced needs of the future population.
163. While the provision of Affordable Housing (subsidised tenure products) is one way to combat unaffordability, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.
164. To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should 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 come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes.
165. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a strong justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power. This is too speculative

to quantify in a percentage size mix but is among the good reasons not to inhibit any size of dwelling entirely.

166. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to smaller and mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

Conclusions- Type and Size

167. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
168. In both 2011 and 2021, the greatest proportion of dwellings were detached and semi-detached. Between 2011 and 2021 there was a slight decrease in these types, likely due to bungalows being categorised in the 2021 VOA data and not in the 2011 Census data. The proportion of terraced dwellings and flats grew slightly over the decade. In 2021 Willington had a similar proportion of bungalows to South Derbyshire and England. The NA had a smaller proportion of terraced dwellings than the comparator areas but a larger proportion of semi-detached and detached dwellings than nationally.
169. In 2011 and 2021 the majority of properties in Willington had 3-bedrooms. This is followed by 2-bedroom and 4-bedroom properties, with the former increasing and the latter decreasing between 2011 and 2021. In 2021 Willington had a significantly smaller proportion of 1-bedroom dwellings compared to England, and slightly smaller than South Derbyshire. Whilst slightly lower, the proportion of 2-bedroom properties in Willington was similar to South Derbyshire, although the difference is greater when comparing the NA to England. Whilst being slightly lower than South Derbyshire, Willington had a higher proportion of 4-bedroom properties compared to England.
170. In 2011 the greatest proportion of the population was 45-64, followed by 25-44 in the NA. In 2020 the 45-64 age category remained the largest, with 65-84 being the second largest category. The number of individuals falling into the 0-15, and 25-44 age categories fell between 2011 and 2020, whilst the number of people grew in all other categories.

171. Population growth can be expected to be driven by the oldest households, with a 110% increase expected in households with a household reference person aged 65 and over during the plan period.
172. Willington has a slightly lower proportion of single person households than England, the proportion in the NA is greater than South Derbyshire. It can also be seen that Willington (67.8%) and South Derbyshire (69.3%) have a higher proportion of family households than England (63.0%). In terms of sub-categories, it can be seen that Willington and South Derbyshire have a higher proportion of families with no children and a higher proportion of both families and single persons aged 66 and over than England. It is interesting to observe that the non-dependent children category grew by 6.9% between 2011 and 2021 in the parish compared to an increase of 22.6% at district level and 16.7% nationally. In this time the proportion of single person households aged 65/66¹⁴ and over increased by 55.9%, compared to 26.3% in South Derbyshire and 10.1% nationally, whilst the families aged 65/66 and over grew by 90.0% in Willington, 38.0% in South Derbyshire and 19.9% nationally
173. Under-occupancy was relatively common in Willington, with 35.9% of households lived in a dwelling with one additional bedroom based on their household size and 45.3% of households living in a dwelling with at least 2 extra bedrooms. Under-occupancy is most common in older households and households with no children, suggesting that the larger housing isn't being occupied by households with the most family members, but by the people with the most wealth or by older people who have been unable or unwilling to downsize. There is some over-occupancy in households with dependent and adult children.
174. AECOM modelling suggests that in order to meet the indicative mix of housing by the end of the plan period, 35.3% of new properties should be delivered as 2-bedroom dwellings. This is followed by 34.4% of properties having 3-bedrooms and 20.4% having 4-bedrooms. 1-bedroom and 5+bedroom dwellings should equate to 5.9% and 4.0% of new properties respectively. It is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options.

¹⁴ 2011 Census data refers to households aged 65 and over whilst 2021 Census data refers to households aged 66 and over.

6. RQ 3: Specialist housing for older people

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

Introduction

175. This chapter considers in detail the specialist housing needs of older people in Willington. The level of care associated with specialist housing products can vary widely, and is broadly categorised, in descending order from highest to lowest care level, as follows

- Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);
- Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and
- Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.

176. People experience ageing differently. Much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age while others may need support and care much earlier in their lives. Some will be interested in moving to a suitable home closer to services while for others ageing independently in place will be key to their wellbeing.

177. 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.

178. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,¹⁵ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

179. 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 a baseline

¹⁵ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁶

180. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁷ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. 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.

Current supply of specialist housing for older people

181. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel’s Website: <http://www.housingcare.org>.

182. Table 6-1 counts a total of 16 units of specialist accommodation in the NA at present, all of which are flats available for social rent.

183. ONS 2020 population estimates suggest that there are currently around 347 individuals aged 75 or over in Willington. This suggests that current provision is in the region of 46 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

Table 6-1: Existing specialist housing for Older People in Willington

	Name	Description	Dwellings	Tenure	Type
1	Ivy Close	2-bedroom flats	16	Social Rent	Retirement housing

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

Tenure-led projections

184. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across South Derbyshire, as this is the most recent and smallest geography for which tenure by age bracket data is available.

185. 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 2039. 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

¹⁶ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁷ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

private or social sectors, are projected to need affordable rented specialist accommodation.

186. According to Table 6-2, 88.8% of households aged 55-75 in Willington owned their property in 2011. 65.6% owned their home outright, with 23.3% having a mortgage or living in a shared ownership dwelling. 11.2% of households rented their property, with 10.1% of total households living in is socially rented dwellings and 0.8% is private renting.

Table 6-2: Tenure of households aged 55-75 in South Derbyshire, 2011

All owned	Owned		All Rented	Social rented	Private rented	Living rent free
	Owned outright	(mortgage) or Shared Ownership				
88.8%	65.6%	23.2%	11.2%	10.1%	0.8%	0.3%

Source: Census 2011

187. The next step is to project how the overall number of older people in Willington is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for South Derbyshire at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 6-3 which shows that in 2011 residents aged 75+ made up 6.9% of the population in Willington and 6.8% of the population in South Derbyshire. It can be seen that in 2039 it is expected that this age category will increase to 12.1% of the population in Willington and 12.0% of the population in South Derbyshire.

Table 6-3: Modelled projection of older population in Willington by end of Plan period

Age group	2011		2039	
	Willington (Census)	South Derbyshire (Census)	Willington (AECOM Calculation)	South Derbyshire (AECOM Calculation)
All ages	2,862	94,611	3,999	132,208
75+	197	6,460	485	15,900
%	6.9%	6.8%	12.1%	12.0%

Source: ONS SNPP 2020, AECOM Calculations

188. A key assumption for the next stages of the calculation 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).

189. The people whose needs are the focus of the subsequent analysis are therefore the additional 288 individuals expected to join the 75+ age group by the end of

the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in South Derbyshire in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 6,460 individuals aged 75+ and 4,591 households headed by a person in that age group. The average household size is therefore 1.41, and the projected growth of 288 people in Willington can be estimated to be formed into around 205 households.

190. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above). This is set out in Table 6-4. This provides a breakdown of which tenures those households are likely to need.

Table 6-4: Projected tenure of households aged 75+ in Willington to the end of the Plan period

Owned	Owned outright	Owned (mortgage) or shared ownership	All rented	Social rented	Private rented	Living rent free
182	134	48	23	21	2	1

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

191. Next, rates of disability by tenure are considered. 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 6-5 presents this data for Willington from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

Table 6-5: Tenure and mobility limitations of those aged 65+ in Willington, 2011

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	101	21.1%	132	27.6%	246	51.4%
Owned Total	91	20.5%	122	27.5%	231	52.0%
Owned outright	82	20.0%	112	27.3%	216	52.7%
Owned (mortgage) or shared ownership	9	26.5%	10	29.4%	15	44.1%
Rented Total	10	28.6%	10	28.6%	15	42.9%
Social rented	7	30.4%	9	39.1%	7	30.4%
Private rented or living rent free	3	25.0%	1	8.3%	8	66.7%

Source: DC3408EW Health status

192. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 101.

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

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

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of 75+ households across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of 75+ households across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	44
	7	37	
Adaptations, sheltered, or retirement living	Multiply the number of 75+ households across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of 75+ households across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	57
	7	50	
Total	14	87	101

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

194. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table 6-7 reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.
195. It is worth highlighting that the HLIN model suggests that the level of unmet demand for specialist housing for older people of all kinds is approximately 251 units per 1,000 of the population aged 75+.

Table 6-7: Recommended provision of specialist housing for older people from the SHOP toolkit

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

Source: *Housing LIN SHOP Toolkit*

196. As Table 6-3 shows, Willington is forecast to see an increase of 288 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 = $60 \times 0.288 = 17$
- Leasehold sheltered housing = $120 \times 0.288 = 35$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.288 = 6$
- Extra care housing for rent = $15 \times 0.288 = 4$
- Extra care housing for sale = $30 \times 0.288 = 9$
- Housing based provision for dementia = $6 \times 0.288 = 2$

197. This produces an overall total of 72 specialist dwellings which might be required by the end of the plan period.

198. Table 6-8 sets out the HLIN recommendations in the same format as Table 6-7. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates.

Table 6-8: HLIN estimate of specialist housing need in Willington by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	20
	9	11	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	52
	17	35	
Total	26	46	72

Source: Housing LIN, AECOM calculations

Conclusions- Specialist Housing for Older People

199. There are currently 16 units of existing specialist housing for older people in Willington. All 16 units are flats available for social rent.
200. In 2011 197 people aged 75+ lived in Willington, equating to 6.9% of the NA population. By 2039, this is expected to increase to 485 residents in this age category, equating to 12.1% of the overall NA population. 2021 Census data shows that there are 321 people aged 75+ in Willington, equating to 9.8% of the NA population.
201. 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.
202. These two methods of estimating the future need in Willington produce a range of 72 to 101 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.
203. AECOM calculations show that there is a total need for 101 specialist housing units in the NA during the plan period. Of the 101, it is suggested that 13.9% are delivered as affordable, with an equal split of housing with care and sheltered housing. It is suggested that 86.1% should be delivered as market housing, with 57.5% housing with care and 42.5% sheltered housing. It should be noted that especially in households with a need for market sheltered housing, it is likely that at home adaptations could meet some of this need.

204. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).
205. Local Plan policy H20 provides encouragement for development to accommodate specific groups, including single occupiers, people with disabilities, people wanting to build their own homes, and the aging population. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). Government is considering mandating M4(2) on newly erected dwellings¹⁸, although changes to Building Regulations have not yet been made. The evidence gathered here would appear to justify the Neighbourhood Development Plan 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.
206. 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, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants in the district falling into this category.
207. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
208. 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

¹⁸ 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)

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).

209. It is considered that Willington is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Willington in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself.

7. Next Steps

Recommendations for next steps

210. This Neighbourhood Plan housing needs assessment aims to provide Willington 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 South Derbyshire District Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of South Derbyshire District Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by South Derbyshire District Council.

211. 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.

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

213. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

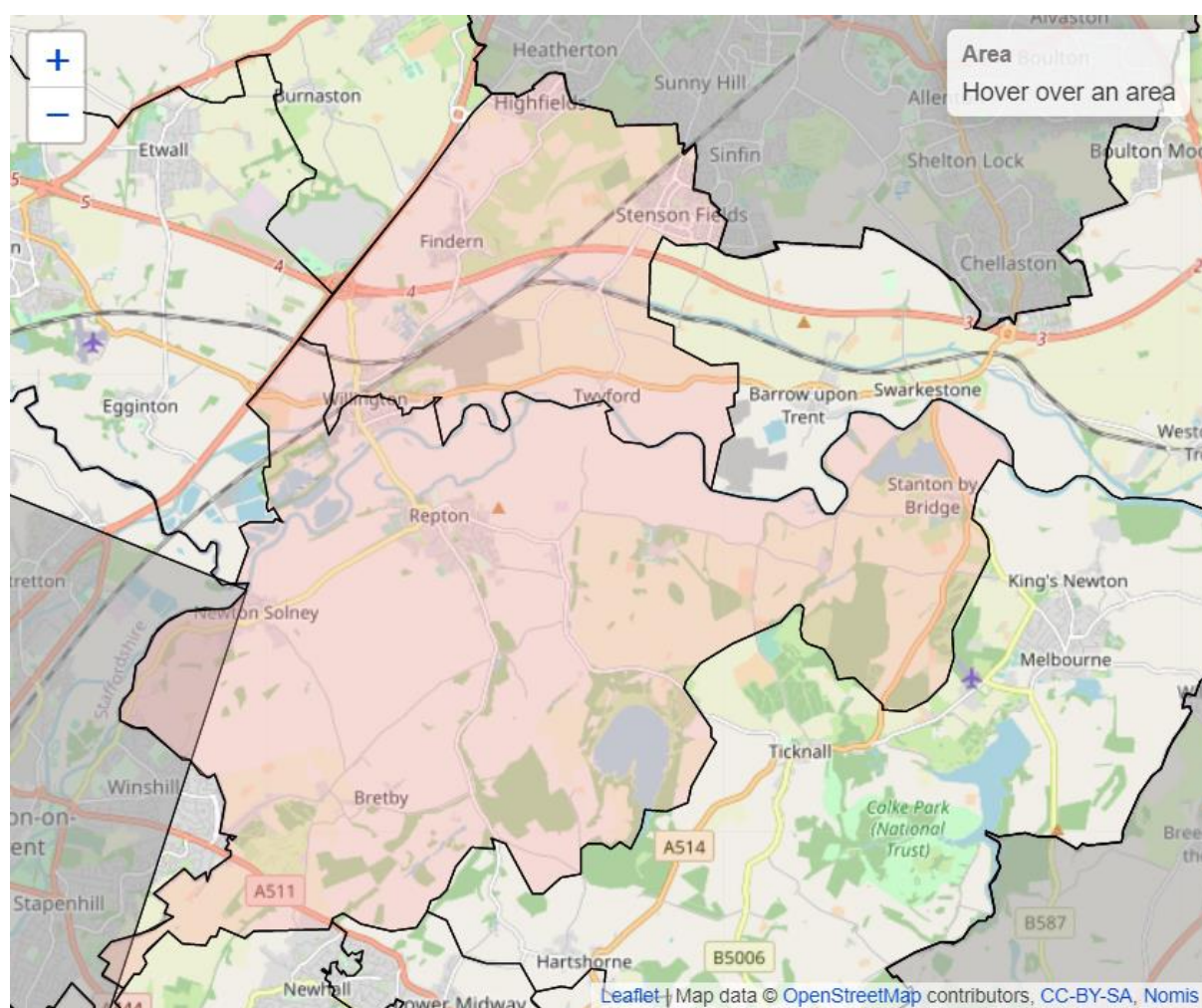
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

214. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Area. Such data is available at MSOA level but not at the level of Neighbourhood Areas.

215. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of Willington, it is considered that MSOAs E02004120 and E02004122 are the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map of MSOAs E02004120 and E02004122 appears in Figure A-1. These MSOAs have been chosen as the plan area sits within both MSOAs.

Figure A-1: MSOAs (E02004120 and E02004122) used as a best-fit geographical proxy for the Neighbourhood Area



Source: ONS

A.2 Market housing

216. Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.
217. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

i) Market sales

218. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
219. 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 Wellington, 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.
220. The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2021) = £268,000;
 - Purchase deposit at 10% of value = £26,800;
 - Value of dwelling for mortgage purposes = £241,200;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £68,914.
221. 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 £184,000, and the purchase threshold is therefore £47,314.
222. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry recorded no sales of new build properties in the NA in 2021. AECOM has calculated an estimate for the cost of new build entry-level housing in the NA in 2021. This is important as it is the expected lower end of the market for new housing in the near future, and it is also the benchmark used for the likely cost of affordable home ownership products (calculated later in the

Appendix). The estimated NA new build entry-level house price is calculated by determining the uplift between all house prices in 2021 across South Derbyshire and new build house prices in 2021 in the same area. This percentage uplift 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 £217,413 and purchase threshold of £55,906.

223. 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 Derbyshire in 2021. The median cost of new build dwellings in South Derbyshire was £259,950, with a purchase threshold of £66,844. This is higher than the new build price and purchase threshold for the NA.

ii) Private Rented Sector (PRS)

224. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.

225. 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.

226. 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 DE65 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.

227. According to [home.co.uk](https://www.home.co.uk), there were 20 properties for rent at the time of search in November 2022, with an average monthly rent of £939. There were 11 two-bed properties listed, with an average price of £753 per calendar month.

228. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:

- Annual rent = £753 x 12 = £9,036;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £30,120.

229. The calculation is repeated for the overall average to give an income threshold of £37,560.

A.3 Affordable Housing

230. 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

231. 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.

232. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Willington. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for South Derbyshire in the Table A-1.

233. 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 A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£83.49	£93.74	£102.31	£119.04	£95.94
Annual average	£4,341	£4,874	£5,320	£6,190	£4,989
Income needed	£14,457	£16,232	£17,716	£20,613	£16,613

Source: Homes England, AECOM Calculations

ii) Affordable rent

234. 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).

235. 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%.

236. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for South Derbyshire. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.

237. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 60% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£86.60	£102.32	£116.46	£140.23	£99.87
Annual average	£4,503	£5,321	£6,056	£7,292	£5,193
Income needed	£14,996	£17,718	£20,166	£24,282	£17,293

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

238. 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.

239. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of 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

240. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.

241. The starting point for these calculations is therefore the estimated cost of new build entry-level housing in the NA noted above of £217,413.

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

- Value of a new home = £217,413;
- Discounted by 30% = £152,189;
- Purchase deposit at 10% of value = £15,219;
- Value of dwelling for mortgage purposes = £136,970;
- Divided by loan to income ratio of 3.5 = purchase threshold of £39,134.

243. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £33,544 and £27,953 respectively.

244. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. The discounted prices are also all below the cap of £250,000.

245. 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. m¹⁹) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be an issue in Willington for First Homes at a 50% discount, and potentially a 40% discount.

Shared ownership

246. 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'.

247. 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.

248. 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

¹⁹ 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/>

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).

249. The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £217,413 is £54,353;
- A 10% deposit of £5,435 is deducted, leaving a mortgage value of £48,918;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £13,977;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £163,060;
- The estimated annual rent at 2.5% of the unsold value is £4,076;
- This requires an income of £13,588 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £27,565 (£13,977 plus £13,588).

250. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £21,897 and £37,012 respectively.

251. The income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

252. 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)

253. 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.

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

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²⁰.

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 Standard²¹

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.

²⁰ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²¹ 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 Order²²

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)²³

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.

²² See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²³ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

This refers to the type of accommodation used or available for use by an individual household (i.e. detached, semi-detached, terraced including end of 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 years²⁴, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

²⁴ 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 Housing²⁵

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They 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

²⁵ 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.²⁶

²⁶ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

