

FINAL REPORT

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Abberley Housing Needs Assessment (HNA)

June 2019

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
APC	Abberley Parish Council
DPA	Dwellings per Annum
GT	Gypsy & Traveller
GTAA	Gypsy and Traveller Accommodation Assessment
HNA	Housing Needs Assessment
HNF	Housing Needs Figure
JAP	Joint Advisory Panel
LPA	Local Planning Authority
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
MHDC	Malvern Hills District Council
NDO	Neighbourhood Development Order
NP	Neighbourhood plan
NPA	Neighbourhood plan Area
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SWDP	South Worcestershire Development Plan
SWDPR	South Worcestershire Development Plan Review

1. Executive Summary

1.1.1 Introduction

1. This report provides Abberley Parish Council (APC) with information about amount and type of housing they should plan for going forward, as well as an understanding of the appropriate tenures within the Neighbourhood Area (NA). The information provided can be used to inform debate within the group, local understanding of the needs and the justification for any site allocation and site mix policies proposed in the Neighbourhood Plan (NP).
2. The approach taken here recognises that neighbourhood plans will need to meet the statutory 'Basic Conditions', the fulfillment of which is tested through an independent examination. One of these, Basic Condition E, requires the neighbourhood plan to be in, 'general conformity with the strategic policies' of the development plan.
3. The Government's Planning Practice Guidance indicates that the level of housing development in a Local Plan is likely to count as a strategic policy.¹ As such, this formal Housing Need Assessment (HNA) investigates specific local needs that are relevant to the neighbourhood whilst supporting the strategic development needs set out in the current local plan. This means a neighbourhood plan can propose more housing where there is demonstrable need, but not less than the local plan.
4. In terms of the types and sizes of housing needed, there is generally more flexibility on what a neighbourhood plan can cover. In order to understand this topic in Abberley, we have gathered a wide range of local evidence and distilled this into recommendations designed to support the development of appropriate housing policies.
5. The information is produced using reputable sources of the most recent data available and tested ways of analysing such data.
6. At a neighbourhood planning level, one important consideration is determining the extent to which the neighbourhood diverges from the local authority average, reflecting the fact that a single town, village, or neighbourhood almost never constitutes a housing market area on its own and must therefore be assessed in its wider context.
7. Our brief was to advise on data at this more local level to help APC understand the tenure, type, and size of housing needed to inform neighbourhood plan policies including allocations. The analysis also responds to important background information given to the researchers by APC which resulted in a number of agreed research questions:

RQ1: What quantity of Housing in the NA is appropriate over the Plan period 2016 - 2041?

RQ2: What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and market tenures should be included in the housing mix?

RQ3: What type (terraced, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is most appropriate to meet local needs?

RQ4: What provision should be made for specialist housing for elderly people within the NA?

1.1.2 Headlines

8. Abberley's indicative housing requirement figure over the SWDPR period of 2021-2041 is a total of (0.47+14.4=) 15 dwellings (rounded). This equates to an average annual rate of 1.3 dwellings per year.
9. For households on lower incomes, their options for housing in Abberley are limited. Households with an income within the NA lower quartile can only afford social and affordable rent homes without diverting resources from other forms of expenditure (e.g. reducing disposable income).
10. Based on the analysis in this report we recommend a tenure split of:
 - **70-80% Owned; and**
 - **20-30% Rented.**
11. In line with Policy SWDP 15 of the South Worcestershire Development Plan (SWDP) 2016 20-40% of homes should be affordable housing. Of this 20-40% affordable housing allocation, the affordable housing tenure split in the Abberley Neighbourhood Plan Area should be as follows:
 - **10% Entry Level Market Sale**

¹ PPG Paragraph: 006 Reference ID: 2a-006-20140306

- **30% Entry Level Market Rent**
 - **30% Starter Homes**
 - **10% Shared Ownership**
 - **20% Affordable and Social Rent**
12. The demographic forecasts justify building more homes of all types and sizes, particularly **smaller family housing (3 bedrooms and smaller) and housing for the elderly**.
13. Our analysis of the **specialist housing needs of older people** suggests a need arising from the parish of 35 additional specialist accommodation units, but it is acknowledged that there is no specific requirement for them to be provided within the Parish itself and that indeed it would likely not be economically or sustainably feasible to do so.

1.1.3 Recommendations for next steps

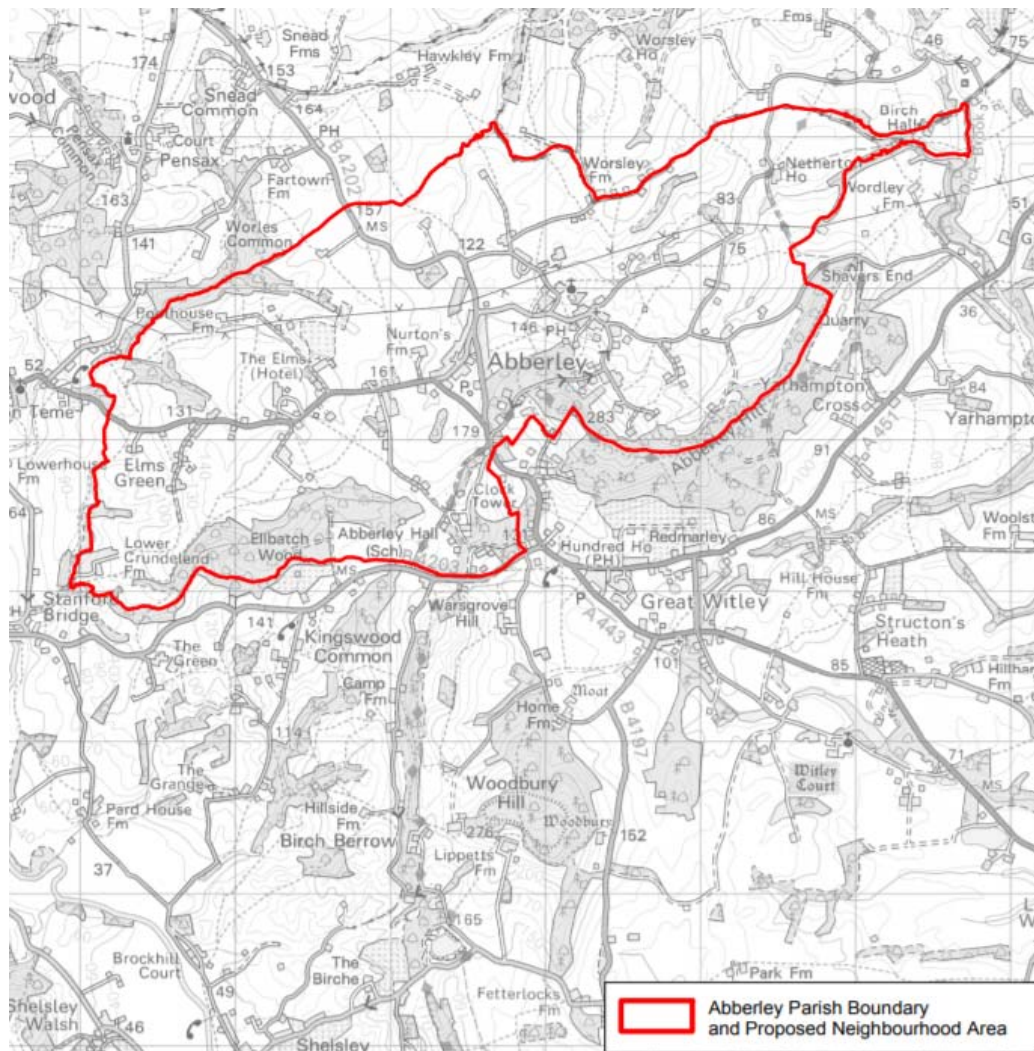
14. This Neighbourhood Plan housing needs advice has aimed to provide APC with evidence on housing trends from a range of sources. We recommend that the Parish Council should, as a next step, discuss the contents and conclusions with Malvern Hills District Council with a view to agreeing and formulating draft housing policies, in particular the appropriate approach to identifying the level of need for new housing in the NP area,
15. We recommend that the Steering Group should monitor carefully strategies and documents with an impact on housing policy produced by the Malvern Hills District Council or any other relevant body and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained. In particular, the Steering Group should be aware of the South Worcestershire Development Plan Review (SWDP) which is due to be adopted in November 2021.

2. Context

2.1 Local context

17. The Parish of Abberley contains the settlements of Abberley Village, The Hill, Abberley, Elms Green and Abberley Common and a number of smaller clusters of housing in the Malvern Hills District, Worcestershire (hereinafter the name 'Abberley' will be used to describe the parish of Abberley unless stated otherwise). It is located 9 miles from the town of Kidderminster and 13 miles from Worcester.
18. Malvern Hills District Council has designated the area of Abberley Parish as the boundaries for the Neighbourhood Area as shown in Table 2-1 below. It is situated on the northern slopes of Abberley Hill and is between the River Severn and River Teme. The parish is one of dispersed settlements with the most populous areas those of Abberley Common in the centre of the Parish and Abberley Village to the east.

Table 2-1 : Abberley Parish Boundary



Source: Malvern Hills District Council

2.2 Planning policy context

19. In line with the Basic Conditions² for neighbourhood planning, Neighbourhood Plans (NPs) are required to be in general conformity with adopted strategic local policies. Consequently, there is a need for the relevant elements of the Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
20. The current Development Plan comprises of the South Worcestershire Development Plan (SWDP) which is a joint Local Plan between Malvern Hills District, Worcester City and Wychavon Councils, who make up the South Worcestershire Councils. The SWDP is an integral part of the Development Plan which also includes the Minerals and Waste Local Plans that were prepared by Worcestershire County Council. The SWDP's planning period starts in 2006 and ends in 2030, which explains why all figures quoted from it cover that time period.
21. The SWDP was adopted in February 2016 is formed of two key parts. The first part contains the seven key strategic policies, of which SWDP 3: Employment, Housing and Retail Provision Requirement, which is of relevance to this HNA. The second parts are the generic policies which are of greater detail and these will also be reviewed.
22. The South Worcestershire Councils are currently preparing a SWDP review, in line with Government requirements for local plans to be reviewed every five years. The projected adoption of the revised plan is 2021³, and the planning period for the Review extends to 2041. The neighbourhood planning period for Abberley will mirror that of the SWDP Review rather than the adopted SWDP period. As such, all tables and figures in this report assume 2041 as the end of the neighbourhood planning period, but the review of the adopted SWDP must, of course, reflect its own planning period, which ends in 2030.

2.2.1 South Worcestershire Development Plan

Part 1: Strategic Policy

23. **Policy SWDP 3 Employment, Housing and Retail Provision Requirement and Delivery** - Table 2-2 below shows the housing provision between 2006 and 2030 (net number of dwellings). For Malvern Hills District (excluding Worcester Wider Area (WWA)) there is a housing target of 5,650, of which 3,950 should be market housing and the remaining 1,700 should be affordable housing. Table 2-3 shows the annual requirements (net number of dwellings) for each district. Malvern Hills (excluding WWA) has an annual requirement 235 dwellings annually between 2006 – 2015, 308 dwellings annually between 2015- 2018 and 217 dwellings annually between 2018 – 2030. For the avoidance of doubt, Abberley is not located within or close to the WWA.

Table 2-2: Housing provision 2006-2030 (net number of dwellings)

SUB AREA	AREA	AREA SUBTOTAL#	Market Housing	Affordable Housing ⁽³⁾
Wider Worcester Area (WWA)	Wider Worcester Area	12,150	8,350	3,800
	Wider Worcester Area (Worcester City)	6,800	5,100	1,700
	Wider Worcester Area (Malvern Hills and Wychavon*#)	5,350	3,250	2,100
Malvern Hills (excluding WWA)	Malvern Hills (excluding WWA)	5,650	3,950	1,700
Wychavon (excluding WWA)	Wychavon (excluding WWA)	10,600	7,300	3,300
	South Worcestershire	28,400	19,600	8,800

Source: South Worcestershire Development Plan, p. 55

² PPG Paragraph: 065 Reference ID: 41-065-20140306

"The basic conditions are set out in paragraph 8(2) of Schedule 4B to the Town and Country Planning Act 1990 as applied to neighbourhood plans by section 38A of the Planning and Compulsory Purchase Act 2004"

³ http://www.swdevelopmentplan.org/?page_id=13748 (visited 16/10/18)

Table 2-3: Housing provision – annual requirements (net number of dwellings)

AREA	AREA SUBTOTAL	ANNUAL REQUIREMENT		
		2006-2015	2015-2018	2018-2030
Wider Worcester Area (Worcester City)	6,800	283	371	261
Wider Worcester Area (Malvern Hills)	4,450	0	0	371
Wider Worcester Area (Wychavon)	900	56 (2014/15 only)	56	56
Malvern Hills (excluding WWA)	5,650	235	308	217
Wychavon (excluding WWA)	10,600	442	578	407
South Worcestershire	28,400	960 (1,016 in 2014/15)	1,314	1,314

Source: South Worcestershire Development Plan, p. 55

Part 2: Generic Policies

24. **Policy SWDP 59 Settlement Hierarchy** – settlements in the SWDP area are classified from Category 1 (which has the most key services and the best public transport provision) to Category 4B and Open Countryside (the least services and limited or no public transport). The SWDP Village Hierarchy designates shown in Table 2-4 Abberley Common as a Category 1 Village.⁴ Settlements in this category have at least four key services and score a minimum of 16 points in the Village Facilities and Rural Transport survey 2012. Moreover, these villages have access to all daytime journey types. These villages have been identified for their suitability of accommodating market and affordable housing needs. Meanwhile, Abberley Village is designated as a lower category 4a settlement. These are villages that are generally very small and offer very few services. Therefore their role in providing additional future development is limited. “Infill development within the defined development boundaries is acceptable in principle subject to the more detailed Plan policies. Small scale employment development and rural exception sites are acceptable in principle, as set out in Policies SWDP 12 and 16”.

Table 2-4: Settlement Hierarchy Category 1 Settlements

MALVERN HILLS DISTRICT	WYCHAVON DISTRICT
Abberley Common	Broadway
Clifton-on-Teme	Ombersley
Great Witley	Wychbold
Hallow	Inkberrow
Hanley Swan	Bredon
Kempsey	Badsey
Lower Broadheath	Honeybourne
Martley	Hartlebury
Welland	Offenham

Source: South Worcestershire Development Plan, p. 335

⁴ The neighbourhood planning group advises that Abberley Common is only very marginally a category 1 settlement, but the basis of the scoring is unclear. As such, the group consider there is potential for it to be downgraded in the emerging planning framework.

Table 2-5: Settlement Hierarchy Category 4a Settlements

MALVERN HILLS DISTRICT	WYCHAVON DISTRICT
Abberley Village	Abberton
Astley Burf	Aston Somerville
Berrow	Bredon's Norton
Broadheath	Broughton Hackett
Bushley (including Bushley Green)	Childswickham
Castlemorton	Dunhampstead
Dunley	Great Comberton
Earls Croome	Little Comberton
Guarlford	Hampton Lovett
Hanley Childe	Hindlip
Kerswell Green	Kington
Knighton-on-Teme	Stock And Bradley
Longdon	Throckmorton

Source: South Worcestershire Development Plan, p. 335

25. **Policy SWDP 59 New Housing For Villages** - The table in Table 2-6 shows the sites allocated for development in Abberley as seen in SWDP59/1, SWDP5a and SWDP59/2. Combined these three sites have an indicative number of dwellings of 35.

Table 2-6: Category 1 Village Allocations

Policy Reference	Category 1 Village	Location	Indicative Number of Dwellings	Site Area (ha)
Malvern Hills Villages				
SWDP59/1	Abberley Common	Land at the Orchard	6	0.85
SWDP59a	Abberley Common	Land at Walshes Farm	15	1.43
SWDP59/2	Abberley Common	Land west of Apostle Oak Cottage	14	0.37

Source: South Worcestershire Development Plan, p. 262

26. **Policy SWDP 14 Density and Mix** - All new residential developments of five or more dwellings, having regard to location, site size and scheme viability, should contain a mix of types and sizes of market housing. The mix will be informed by the latest Strategic Housing Market Assessment and / or other local data, for example, Neighbourhood plans, Parish Surveys, Parish Plans and developers' assessments.
27. **Policy SWDP 15 Meeting Affordable Housing Needs** - All new residential development, including conversions, above the thresholds stated below will contribute to the provision of affordable housing. The size, number, tenure, type and distribution of affordable dwellings to be provided will be subject to negotiation that takes into account the local housing need, specific site and location factors and development viability. Affordable dwellings are expected in the following circumstances:
- Sites of 15 or more dwellings on greenfield land should have at least 40% of units as affordable, and provided on site;
 - Sites of 10 – 14 dwellings should have at least 30% of units as affordable, and provided on site;
 - Sites of 5 – 9 dwellings should have at least 20% of units as affordable, and provided on site; and

- Financial contributions towards local affordable housing are expected on sites of less than 5 dwellings, based on the cost of providing the equivalent in value to 20% of the units as affordable housing on site.
 - a. Where a robust justification exists, off-site contributions may be accepted in lieu of on-site provision.
 - b. Secure arrangements must exist to ensure that affordable housing is in accordance with this policy remains affordable and meets local needs.
 - c. The final tenure mix will be subject to negotiation. Generally the preference will be for social rented, unless a different tenure is required to meet local housing needs or for example a contribution from an alternative affordable housing tenure is required to enable viability.
 - d. On sites where it has been demonstrated that the proportion of affordable housing sought by SWDP 15 b (i.e. the 'robust justification' point above) would not be viable, the maximum proportion of affordable housing will be sought that does not undermine the development's viability. Financial viability assessments conforming to an agreed methodology will be required and, where necessary, the Local Authority will arrange for them to be independently appraised at the expense of the applicant.
28. Overall, this policy sets a sliding scale for the provision of affordable housing, with larger sites expected to deliver more affordable housing. Furthermore the policy allows for viability to be negotiated taking into account 'the local housing need'. Again this is where this HNA is valuable, as it will help inform site allocations and applications by developers.
29. **Policy SWDP 16 Rural Exception Sites** - Affordable housing development will be permitted on small sites that are reasonably adjacent to the development boundaries of villages provided that:
- There is proven and unmet local need that takes into consideration the latest Worcestershire Strategic Housing Market Assessment, the Sub-regional Choice-based Letting Scheme and other local data e.g. Neighbourhood plan, Parish Survey or Parish Plan; (this need will be investigated in RQ 2. Tenure);
 - No other suitable and available sites exist within the development boundary of the settlement; and
 - i Secure arrangements exist to ensure the housing will remain affordable and available to meet the continuing needs of local people.
30. Rural exception sites must be wholly affordable, unless this is unviable. In such cases, a proportion of market housing may be permitted to provide sufficient cross subsidy to facilitate the delivery of affordable homes. Landowners will be required to provide a development appraisal for the proposal, containing inputs assessed and verified by a chartered surveyor, as further supporting evidence.
31. **Policy SWDP 20 Housing to Meet the Needs of Older People** - Housing suitable for the needs of older people will be encouraged on all allocated and windfall sites that are five dwellings or more, as part of the market housing mix through policies SWDP14 and affordable housing mix through policy SWDP15.
- If there is a proposal for housing for older people that falls into Class C2⁵ of the Town and Country Planning (Use Classes) Order 1987 (as amended) is proposed, permission will be granted provided that :
- The need for this accommodation is proven with evidence;
 - The scheme has good access to healthcare, public transport, shopping and other community facilities. If there is lack of such access then the proposed scheme must demonstrate that there will be significant benefits to the local community from the scheme in the proposed location. The scheme must also provide onsite services and facilities and tailored transport services to meet the needs of residents; and
 - Where a mix of use classes C2 and C3 is proposed on a single site, the affordable housing requirements of policy SWDP15 are to be met in respect of the C3 element.

⁵ Class C2 in the planning system includes residential institutions, including care homes. For the purposes of the planning system, housing needs assessments at both Local Plan and Neighbourhood level exclude C2 need from their definition of housing, rather covering only class C3, which constitutes private dwellings.

3. Approach

3.1 Research Questions

32. Research Questions, abbreviated to 'RQ,' are defined at the start of the project through discussion with the Parish Council. They serve to direct our research and provide the structure for the HNA.

3.1.1 Quantity

33. The adopted South Worcestershire Development Plan (SWDP) has an overall housing requirement of 5,650 additional dwellings between 2006-2030. The SWDP designates Abberley Common as a Category 1 Village and Abberley Village as a lower 'Category 4A Village' in Malvern Hills. At the start of the project, there was neither a Housing Needs Figure (HNF) for Abberley nor was there any indication of one. However, as the study progressed, the South Worcestershire Joint Advisory Panel (JAP) consulted on and then later approved a methodology to determine a housing requirement figure for the Neighbourhood Plan in line with the emerging South Worcestershire Development Plan Review (SWDPR) which will provide a revised housing target for the District as a whole to reflect a revised plan period to the year 2041.
34. While the JAP did not itself provide a specific figure for Abberley, the methodology provided by them does enable a relatively straightforward calculation to be carried out, which was performed by David Nicholson, the Parish Council's retained planning consultant. The results of this calculation are set out in Chapter 4 below.

RQ1: What quantity of Housing in the NA is appropriate over the Plan period 2016 - 2041?

3.1.2 Tenure

35. APC is in favour of delivering more Affordable Housing in the NA. Whilst there is no preference or need for a particular type of affordable housing, APC has expressed the need for affordable housing to prioritise local residents over those from outside the NA, in order to address the local affordable housing needs.

RQ2. What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and market tenures should be included in the housing mix?

3.1.3 Type and size

36. APC claims that there is a significant demand for dwellings suited to the needs of newly forming households; young families, single occupants and those households seeking to downsize are a priority. APC has noted that developers are currently catering for larger properties which do not meet the needs of local residents.

RQ3. What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is best suited to meet local needs?

3.1.4 Housing for specialist groups

37. APC has expressed concern over the lack of housing for elderly people, especially in the form of smaller types of homes and specialist housing. They realise that many elderly people wish to downsize, but there is a lack of suitable housing that is also affordable.

RQ4. What provision should be made for specialist housing for elderly people within the NA?

38. The remainder of this report is structured around the research questions set out above.

3.2 Relevant Data

39. The PPG states that those bringing forward Neighbourhood Plans can refer to existing needs assessments prepared by the local planning authority as a starting point. As Malvern Hills District is part of the three South Worcestershire Councils, we approached MHDC to understand the evidence base they have assembled to support the housing policies that appear in their Local Plan.

40. The SWDP website⁶ confirms that as part of the preparation of the SWDP Review, a Strategic Housing Market Assessment (SHMA) is being conducted. Part 1 of the SHMA is made up of two reports; the South Worcestershire Demographic Forecasts and Analysis Report (Edge Analytics, 2018⁷) which looks at the housing need for south Worcestershire and how it varies based on different assumptions and how this compares to the output of the Government's standard methodology for calculating housing need; and a Housing Need in South Worcestershire report (Arc4, 2018⁸) which looks at housing which provides the justification for planning for the number of homes required under the standard methodology which the NPPF clearly states should be seen as a minimum requirement.
41. These documents address the relevant housing market area and inform emerging housing policies at a local authority level, including Affordable Housing policy. The SHMA studies draw upon a range of data including population and demographic projections, housing market transactions and employment scenarios to derive the objectively-assessed housing need for the district. As such, it contains a number of points of relevance in understanding housing need within the NA.
42. In addition, this provides a strong starting point for policy development that aims to build on and add local specificity to those of the Local Planning Authority (LPA) by enabling a comparison to be made with parish-level data (gathered as part of the preparation of this study), given that such an exercise reveals contrasts as well as similarities.

3.2.1 Other relevant data (from LPA)

43. In addition to the LPA evidence base, we have gathered data from a range of other sources to ensure our study is robust for the purposes of developing policy at the neighbourhood plan level. These include Census data providing insights into demographic shifts and Land Registry house price data.

⁶ http://www.swdevelopmentplan.org/?page_id=14124

⁷ <http://www.swdevelopmentplan.org/wp-content/uploads/2018/10/Edge-Analytics-South-Worcestershire-Report-FINAL-June-18.pdf>

⁸ <http://www.swdevelopmentplan.org/wp-content/uploads/2018/10/Housing-Need-in-South-Worcestershire-Final-Report.pdf>

4. RQ 1. Quantity

RQ1: What quantity of Housing in the Neighbourhood plan Area (NA) is appropriate over the Plan period?

4.1 Introduction

44. As noted above, at the start of the project, there was no indication from Malvern Hills District Council or the South Worcestershire JAP, either definitive or indicative, of the quantity of housing that Abberley should plan for over its neighbourhood planning period.
45. The National Planning Policy Framework (NPPF, 2019) (paragraph 65) states that strategic policy-making authorities “should establish a housing requirement figure for their whole area which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period. Within this overall requirement, strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations”.
46. NPPF paragraph 66 states that “Where it is not possible to provide a requirement figure for a neighbourhood area⁹ the local planning authority should provide an indicative figure, if requested to do so by the neighbourhood planning body”. This ‘indicative’ figure should (amongst other things) “take into account factors such as the latest evidence of local housing need, the population of the neighbourhood area and the most recently available planning strategy of the planning authority.”¹⁰
47. In line with these national policy obligations, in early 2019, the South Worcestershire Joint Advisory Panel (JAP) consulted on and subsequently approved a methodology to determine a housing requirement figure for the Neighbourhood Plan in line with the emerging South Worcestershire Development Plan Review (SWDPR) which will provide a revised housing target for the District as a whole to reflect a revised plan period to the year 2041.
48. While the JAP did not itself provide a specific figure for Abberley, the methodology they approved does enable a relatively straightforward calculation to be carried out, which was performed by David Nicholson, the Parish Council’s retained planning consultant.

4.2 The Council methodology

49. Though it does not yet appear online¹¹, the JAP’s methodology is to consider two relevant factors having impact on the quantity of housing to be provided for Abberley and other neighbourhood plan areas, and on the basis of those factors, to develop a formula permitting the calculation of the quantity of housing to plan for.
50. The relevant factors considered by the JAP are as follows:
 - Latest Evidence of Local Housing Need; and
 - Current SWDP Development Strategy.
51. The JAP’s consideration of each factor is considered in detail below.

4.2.1 Latest Evidence of Local Housing Need

52. The JAP states that the Objectively Assessed Housing Need (OAHN) in south Worcestershire from 2006 to 2030 that was tested and found sound at the SWDP Examination is 28,370 dwellings. The adopted SWDP makes provision for around 28,400 dwellings to meet this need.
53. In 2018 the South Worcestershire Councils commenced a revision of the SWDPR to cover the period 2016 – 2041. The level of housing need for the SWDPR will be calculated using the Government’s published “standard methodology”. Currently, the JAP anticipates that the SWDPR will need to make provision for approximately 14,000 additional dwellings in the period to 2041 over and above those which have already been delivered or are likely to be delivered based on current commitments and completions.

⁹ Because a neighbourhood area is designated at a late stage in the strategic policy-making process, or after strategic policies have been adopted; or in instances where strategic policies for housing are out of date.

¹⁰ NPPF, paragraph 66, page 18

¹¹ The South Worcestershire JAP note, which is entitled ‘Methodology for Calculating Indicative Housing Requirement Figures for Designated Neighbourhood Areas’, and was first debated at the JAP meeting on Tuesday 26th February 2019, was kindly provided to AECOM by Abberley Parish Council.

54. The JAP considers that commitments (i.e. existing planning permissions, outstanding SWDP allocations and the windfall allowance) will meet the current SWDP housing requirements to 2030. Of the additional 14,000 additional dwellings required, 450 will be required in the period 2021 – 2030 and the remaining 13,550 will be required in the period 2031 – 2041.
55. Given that existing commitments will meet most of the increased housing need to 2030, the JAP considers that the level of unmet housing need that needs to be accommodated within Neighbourhood Plans in south Worcestershire to 2030 is relatively low.
56. The SWDPR will allocate sites in order to meet unmet need for the period 2021 – 2041. The distribution of housing allocations will reflect the fact that Worcester itself is constrained by the limited availability of suitable land within its administrative boundary. Consequently, a significant proportion of the City's housing (and employment) may need to be met within the Wychavon and Malvern Hills districts.
57. The extent to which the growth is redistributed will depend on detailed work to establish the capacity of Worcester to deliver more homes, the spatial development strategy that forms the basis of the SWDPR and the availability of land in Malvern Hills and Wychavon districts to accommodate new development and the impacts of other planning policy and physical constraints to development across south Worcestershire as a whole.
58. In the meantime, the JAP states that indicative housing requirement figures for designated neighbourhood areas for the periods 2021 – 2030 and 2031 - 2041 can be provided, based on the current SWDP development strategy and population of the neighbourhood area.

4.2.2 Current SWDP Development Strategy

59. The JAP notes that the most recently published spatial development strategy is set out in Policy SWDP2 in the South Worcestershire Development Plan (SWDP), adopted in February 2016.
60. Policy SWDP 2 sets out the development strategy and settlement hierarchy for south Worcestershire. SWDP 2 focuses most development on the main urban areas, but in order to deliver the social objectives of sustainable development, the SWDP directs some growth to rural settlements (Category 1, 2, and 3 settlements) that enjoy some limited local services or settlements considered to be in the open countryside.
61. Excluding windfall development, 18,003 (87%) of the 20,693 dwellings allocated in the SWDP are in the main urban areas. The remaining 2,690 (13%) of dwellings are allocated in the rural settlements.
62. To reflect the planning strategy set out in SWDP 2 the indicative housing requirement for neighbourhood areas in the periods 2021 – 2030 and 2031 – 2041, the JAP proposes that 87% of the additional dwellings required should be distributed to the main urban areas in proportion to their population (based on the 2011 Census).
63. The JAP then proposes that the remaining 13% additional dwellings required be distributed to the rural areas in proportion to their population.
64. The population of south Worcestershire in the 2011 Census was 290,343. Of these, 188,549 (65%) were in the urban areas (Worcester city and the towns of Droitwich Spa, Evesham, Malvern, Pershore, Tenbury Wells and Upton upon Severn), with the remaining 101,794 (35%) were in rural parishes without a city or town.
65. Whilst the 2011 distribution of population across south Worcestershire suggests a lower percentage for the main urban areas, the JAP states that the policy led figure of 87% to be directed to the main urban areas more appropriately reflects the SWDP strategy of focussing growth in sustainable locations with access to major services and facilities and where major infrastructure can be accessed.
66. It is acknowledged by the JAP that such an approach does not pay specific regard to any possible physical, environmental or infrastructure constraints to future growth in a particular location (Neighbourhood Plan area). However, the JAP suggests that such factors could only be determined through the SWDPR and the uncertainty of indicative figures in advance of the SWDPR is one of the significant 'caveats' to indicative figures at this stage.

4.3 Calculation of quantity of housing needed

67. The JAP's methodology to calculate the indicative housing requirement for a designated neighbourhood area is as follows:

4.3.1 Step 1 – Latest Evidence of Housing Need

68. Taking account of existing SWDP allocations, it is currently anticipated that the SWDPR will need to make provision for:
- 450 additional dwellings in the period 2021 – 2030; and
 - 13,550 additional dwellings in the period 2031 – 2041.

4.3.2 Step 2 – Adjustment to take account of the latest Planning Strategy (SWDP)

69. Based on the current planning strategy, 87% of the additional dwellings required in south Worcestershire would be distributed to the main urban areas. The remaining 13% of the additional dwellings would be distributed amongst the rural parishes.
70. For the period 2021 – 2030:
58 dwellings would be distributed amongst the rural parishes i.e. 13% of the 450 additional dwellings required.
71. For the period 2031 – 2041:
1,761 dwellings would be distributed amongst the rural parishes i.e. 13% of the 13,550 additional dwellings required.

4.3.3 Step 3 – Adjustment to take account of the Population of the Neighbourhood Area

72. Then, the indicative housing requirement for the neighbourhood area would be adjusted according to that area's proportion of the population of the rural areas (for rural parishes) based on the 2011 Census.
73. The population of south Worcestershire in the 2011 Census was 290,343. Of these, 101,794 were in rural parishes without a city or town.

4.3.4 Caveats to calculation method

74. The JAP states that any indicative housing figures provided to neighbourhood planning bodies using the method above would need to make clear that the figures are, by definition, "indicative" and could be subject to change for the following reasons:
- i) The housing figure for south Worcestershire is derived from the Government's Standard Methodology and is likely to change annually as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in the SWDPR and the indicative housing requirement for neighbourhood areas;
 - ii) The Government considers the output of the standard methodology to be a minimum requirement for housing;
 - iii) Any indicative housing requirement figures provided to neighbourhood planning bodies would be based on the latest planning strategy – i.e. the adopted SWDP. It is possible that the planning strategy will change in the process of revising the SWDP and therefore the final proportion of new development being allocated to Neighbourhood Areas could change; and
 - v) The indicative housing requirement figures will include reference to the level of growth already directed to the neighbourhood area in the SWDP. Windfall development within the designated neighbourhood area since the adoption of the SWDP in February 2016 would, however, count towards meeting the housing requirement figure.
75. The JAP suggests that if neighbourhood planning areas have evidence to indicate that the indicative housing requirements are not achievable due to physical, environmental or infrastructure constraints, these issues be discussed with the local planning authority.
76. The JAP further notes that neighbourhood planning bodies that request indicative housing requirement figures for their area can choose to plan ahead to 2030 or further ahead. If the neighbourhood planning body chooses to plan ahead to 2030, it should be noted that growth beyond that period will need to be delivered through the SWDPR or a future Neighbourhood Plan review.
77. Finally, the JAP recognise that neighbourhood planning bodies are concerned that the SWDPR could significantly alter growth assumptions within their neighbourhood plans. As a statement of intent, and to encourage communities preparing Neighbourhood Plans to plan for housing, it is therefore proposed that the South Worcestershire Councils set out in a Memorandum of Understanding or Statement of Common Ground with qualifying bodies the intention to

take account the number of dwellings allocated in a Neighbourhood Plan when determining the number of dwellings to be allocated in Neighbourhood Areas.

78. However, such a statement could not preclude a higher housing requirement for a neighbourhood planning area being brought forward through the SWDPR or the possible allocation of a strategic site(s) in a neighbourhood area over and above housing already allocated in the Neighbourhood Plan.

4.4 Conclusion- quantity

79. On the basis of the methodology provided by the South Worcestershire JAP, but bearing in mind the caveats associated with that methodology, it is now possible to calculate the quantity of housing that Abberley should plan for through its Neighbourhood Plan. The Parish Council's retained planning consultant, David Nicholson, kindly provided the following calculation, which is endorsed by AECOM.
80. At the 2011 Census, Abberley's parish population was 836 people. This comprises 0.82% of the total population of rural parishes in South Worcestershire (101,794).
81. Therefore, over the period 2021-2030, Abberley's indicative housing requirement is 0.82% of the additional 58 dwellings to be distributed to SW rural parishes, which comprises 0.47 dwellings.
82. Over the period 2031- 2041, Abberley's indicative housing requirement is 0.82% of the additional 1,761 dwellings to be distributed to South Worcestershire's rural parishes, which comprises 14.4 dwellings.
83. **Therefore, Abberley's indicative housing requirement figure over the SWDPR period of 2021-2041 is a total of (0.47+14.4=) 15 dwellings (rounded). This equates to an average annual rate of 1.3 dwellings per year.**

5. RQ 2. Tenure

RQ2. What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and market housing tenures should be included in the housing mix?

5.1 Introduction

84. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines their rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.
85. We will address this section by examining the tenure of dwellings in the current stock and recent supply, and make an assessment, based on a reasonable interpretation of the evidence we have been able to gather, whether continuation of these trends would meet future needs; or, alternatively, whether there exist misalignments between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new development to prioritise certain tenures, so as to bring supply and demand into better alignment¹².

5.2 Definitional issues

86. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. We mean by this those forms of housing tenure that fall within the definition of Affordable Housing set out in the 2019 National Planning Policy Framework (NPPF): Social Rent, Affordable Rent, Affordable Private Rent (brought forward by Build to Rent schemes) and forms of AH designed to offer affordable routes to home ownership¹³. To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
87. The definition of Affordable Housing set out in the NPPF make clear the government's commitment to home ownership but recognise the important role of Social, Affordable and Private Rent tenures for those not currently seeking home ownership.
88. It is important to note however that the now superseded 2012 version of the NPPF referred to the 'national rent regime' not 'Government's rent policy' as now included in the 2019 NPPF. It has been suggested that this change in wording may give central Government, and by extension local authorities, wider flexibility in arriving at rents. It may also lead to the abolition of Social Rent as it has been understood in recent years.¹⁴
89. The revisions seek to broaden the definition of Affordable Housing to include a range of low-cost housing opportunities for those aspiring to own a home, including Starter Homes.
90. In paragraph 64 of the 2019 NPPF, Government introduces a recommendation that, '*where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership*'. In line with PPG¹⁵, the assumption should be that 'major housing development' can be defined as sites of more than 10 dwellings, and that affordable home ownership includes Starter Homes, Shared Ownership homes and homes available for discount market sale.

5.2.1 Current tenure profile

91. First, it is necessary to present a picture of tenure in the NA based on the most recent reliable data. The table below shows Census data from 2011 that reveals a higher level of home ownership in the NA than in the District (80.7% against 71.9%). However there are lower level of households in social rented homes in the NA than in the District (3.8% against 14.1%).

¹² PPG Paragraph: 021 Reference ID: 2a-021-20160401

¹³ NPPF, 2019

¹⁴ McGready, B, Affordable Housing and Planning, MBL seminars, April 2018

¹⁵ PPG 031 Reference ID: 23b-031-20161116

Table 5-1: Tenure (households) in Abberley, 2011

Tenure	Abberley	Malvern Hills	England
Owned; total	80.7%	71.9%	63.3%
Shared ownership	0.3%	0.8%	0.8%
Social rented; total	3.8%	14.1%	17.7%
Private rented; total	9.7%	11.5%	16.8%

Source: AECOM Calculations, ONS 2011

92. Table 5-1 allows us to take a longitudinal perspective, identifying how the tenure profile of the NA has changed between the last two censuses. From this, it is clear that there has been a substantial increase in the amount of homes in both social and private rental sectors (22.2% and 115.4% respectively). Meanwhile there has been a decrease in shared ownership in the NA, a contrast to the 27.1% growth in the wider District, but it should be noted that in real terms this reflects only a very small number of properties in this tenure.

Table 5-2: Rates of tenure change in Abberley, 2001-2011

Tenure	Abberley	Malvern Hills	England
Owned; total	3.5%	2.9%	-0.6%
Shared ownership	-66.7%	27.1%	30.0%
Social rented; total	22.2%	9.8%	-0.9%
Private rented; total	115.4%	66.7%	82.4%

Source: AECOM Calculations, ONS 2011

93. It is evident from Table 5-3 that rental properties are rare in the NA, despite the significant percentage increase in both social and private rental sectors shown in Table 5-2. Home ownership continues to dominate the housing market mix in the NA and the District, followed by private rented dwellings.

Table 5-3: Tenure change in Abberley, 2001-2011

Tenure	2001		2011	
	Abberley	Malvern Hills	Abberley	Malvern Hills
All categories - Total	267	30,069	290	32,212
Owned	226	22,499	234	23,146
Shared ownership	3	207	1	263
Social rented	9	4,140	11	4,547
Private rented	13	2,231	28	3,720

Source: ONS 2011, AECOM Calculations

94. To provide a more accurate analysis of tenure change between 2001 and 2011, it is necessary to compare the change between the rates of different tenures between the two Census periods. It is clear in Table 5-4 that there has been a slight decline in home ownership in both the NA and the District over the period, (-4% and -3% respectively). This change has been mirrored with an increase in private rented homes in both the NA and the District (5% and 4% respectively).

Table 5-4: Change of tenure in Abberley, 2001-2011

Tenure	2001		2011		Abberley change 2001-11	Malvern Hills Percentage Change 2001- 11
	Abberley	Malvern Hills	Abberley	Malvern Hills		
Owned: Total	85%	75%	81%	72%	-4%	-3%
Shared ownership (part owned and part rented)	1%	1%	0%	1%	-1%	0%
Social rented: Total	3%	14%	4%	14%	0%	0%
Private rented: Total	5%	7%	10%	12%	5%	4%

Source: ONS 2011, AECOM Calculations

95. Bringing the evidence together, it is clear that the private rental sector increased whilst home ownership decreased significantly in both the NA and the District between 2001 and 2011.
96. Overall, it is clear, therefore, that home ownership remains the most dominant tenure type in the NA. Home ownership continues to form a significant proportion of dwellings in the NA, but this sector is in decline in relative terms as a proportion of dwelling stock. Meanwhile, this decline is being mirrored by a growth in the private rental sector, whilst the growth of shared ownership and social rental homes remains stagnant in both the NA and the District.

5.3 Affordability

97. In order to understand whether the tenure profile of the current stock reflects the needs of the population currently and over the plan period, an important starting point is to consider whether this profile provides different market segments access to dwellings of a suitable type and size given their household composition.
98. In line with the PPG, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio¹⁶ (LQAR) and the Median Affordability Ratio¹⁷ (MAR). While this is a relatively crude measure of affordability, as it does not take account of the cost of servicing mortgage debt, it is a useful basic measure for benchmarking affordability changes over time.
99. Incomes are considered first, as they have an important relationship with the ability of households to exercise choice in the housing market and the level of need for affordable housing products. For this, we use household income estimates provided by CACI (a data provider company) for Abberley, which are presented in Table 5-5 below.
100. The median annual household income in Abberley is £47,650 and the lower quartile income is £29,790. In this study we will be chiefly concerned with the median – which can be understood as the average income – and the lower quartile income, which helps to understand what tenures of housing the lowest earning households in most need of support are able to afford.

Table 5-5: Household income averages, 2018

	Abberley	Malvern Hills
Mean income	£54,803	£43,119
Median income	£47,650	£35,765
Mode band	£30,000 - £35,000	£15,000 - £20,000
Upper quartile income	£71,553	£57,578
Lower quartile income	£29,790	£20,600

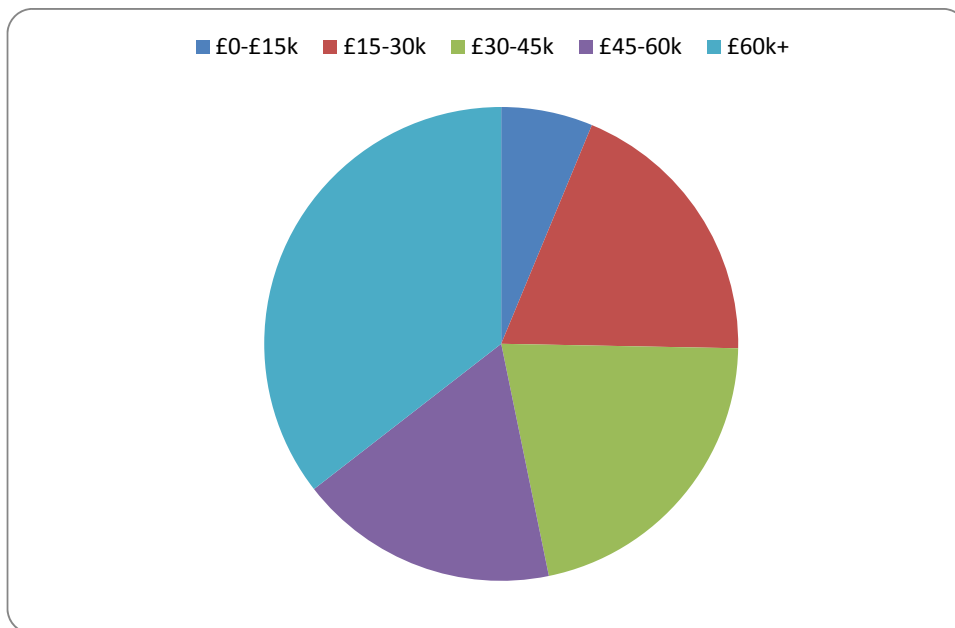
Source: CACI

101. Table 5-6 below shows that the largest income band is those earning above £60,000. Together, household incomes between £15,000 and £60,000 make up 58% of the total. Meanwhile, 6% of homes have an annual income of below £15,000.

¹⁶ See glossary

¹⁷ See glossary

Table 5-6: Household income distribution in Abberley, 2018



Source: CACI

102. In Table 5-7 below, we set out the full distribution of income levels within the NA. Note that the total number of households counted by CACI in 2018, at 279, is 11 less than the 2011 Census tally of 290. This is lower number is likely due to the data sources used by CACI which mean that the datasets may not entirely align.

Table 5-7: Banded household income in Abberley (2018)

Income range	Number of households	Percentage of total
£0 - 5k	1	0.3%
£5 - 10k	6	2.0%
£10 - 15k	11	4.0%
£15 - 20k	16	5.7%
£20 - 25k	18	6.4%
£25 - 30k	19	7.0%
£30 - 35k	21	7.4%
£35 - 40k	19	6.9%
£40 - 45k	20	7.1%
£45 - 50k	17	6.1%
£50 - 55k	17	6.3%
£55 - 60k	15	5.4%
£60 - 65k	15	5.2%
£65 - 70k	12	4.2%
£70 - 75k	10	3.4%
£75 - 80k	8	2.7%
£80 - 85k	9	3.1%
£85 - 90k	8	2.7%
£90 - 95k	6	2.1%
£95 - 100k	3	1.2%
£100 - 120k	16	5.8%
£120 - 140k	7	2.4%
£140 - 160k	4	1.4%
£160 - 180k	2	0.7%
£180 - 200k	1	0.3%
£200k+	1	0.2%
Total households	279	

Source: CACI

103. To calculate the LQAR and MAR it is necessary to refer to the CACI data and Land registry datasets.
104. From the data presented in Table 5-5 and Table 5-8 below it is possible to deduce a LQAR of 8.66, assuming an entry level dwelling (suitable for a household of 2-4 individuals) shown in of £258,250, and a lower quartile income of £29,790.

Table 5-8: Average House prices Differences, 2017

	Abberley	Malvern Hills
Mean	£378,000	£291,636
Median	£362,500	£250,056
Lower Quartile	£258,250	£189,984
Max	£665,000	£1,625,000
Min	£185,000	£68,000

Source: AECOM Calculations, Land Registry Data

105. To arrive at a median affordability ratio, it is again necessary to use the Land Registry Data median price for terraced homes in the NA, which is £302,500, as an alternative (as shown in Table 5-9). Using the NA median income of £47,650 produces a MAR of 6.35. However, it is important to caveat that this median price for terraced homes is based on an extremely small sample size due to the paucity of this dwelling type in the NA.

Table 5-9: Average House Prices Differences, 2017

	Abberley	Malvern Hills	Difference	Percentage Diff
Detached	£425,000	£379,464	£45,536	11%
Semi-Detached	£200,000	£234,942	-£34,942	-17%
Terraced ¹⁸	£302,500	£197,557	£104,943	35%
Flats		£181,684		
All Types	£378,000	£291,636	£86,364	23%

Source: AECOM Calculations, Land Registry

Affordability Thresholds

106. To understand affordability of different tenures in Abberley, we use the concepts of 'Affordability Thresholds.' These establish the minimum income needed to afford different tenures. The full analysis is set out in Appendix A; Table 5-10 and Table 5-11 provide a summary.
107. For those whose income falls into the lower quartile, all affordable housing tenures are unaffordable.
108. The data we have gathered also shows that affordable housing tenures remain unaffordable for those earning the median income, with the exception of social rent homes.
109. For those earning the NA median income, they will be able to will be able to afford most affordable housing tenures. However, entry level market sale homes will still remain unaffordable to those who earn within this income bracket.

Table 5-10: Affordability Thresholds (Income required, £)

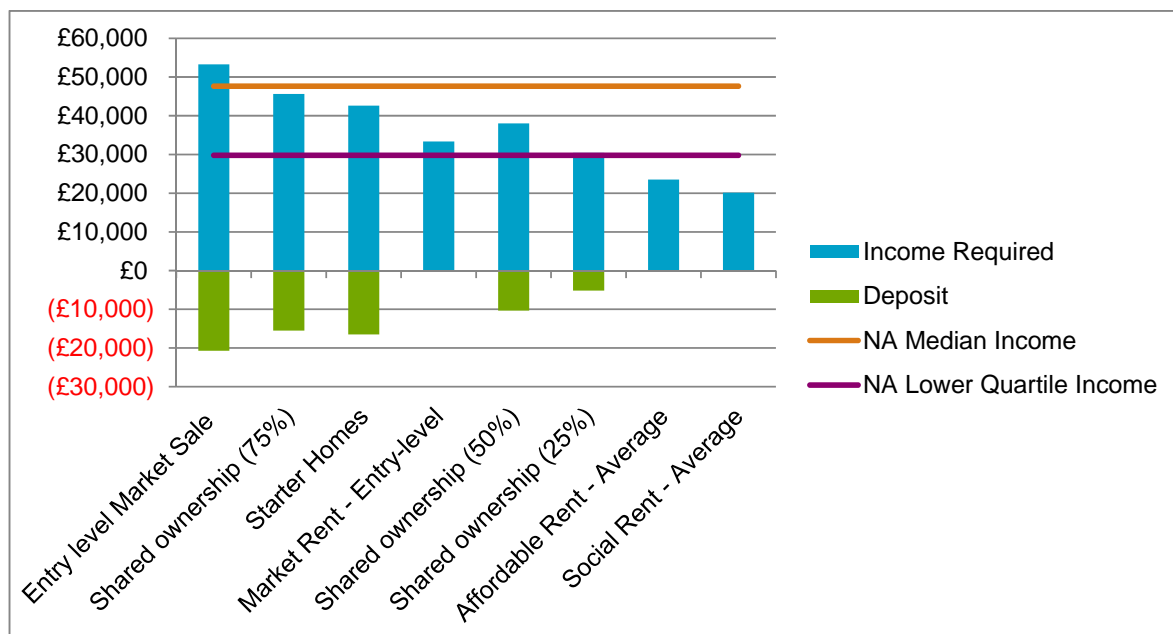
Tenure	Price	Annual rent	Income Required	Deposit	Percentage of those who can afford this tenure
Market Sale	£414,084	-	£106,479	£41,408	11%
Market Rent	-	£11,268	£42,288	-	60%
Entry level Market Sale	£207,250	-	£53,292	£20,725	47%
Shared ownership (75%)	£155,438	£1,425	£45,669	£15,544	53%
Starter Homes	£165,000	-	£42,634	£16,500	60%
Market Rent - Entry-level	-	£8,628	£33,360	-	75%
Shared ownership (50%)	£103,625	£2,850	£38,045	£10,363	67%
Shared ownership (25%)	£51,813	£4,275	£30,421	£5,181	75%
Affordable Rent - Average	-	£5,884	£23,537	-	82%
Social Rent - Average	-	£5,034	£20,138	-	82%

Source: AECOM Calculations, CACI

110. The relationship between affordability thresholds and prevailing income levels are set out in Table 5-11.

¹⁸ As per the previously-stated caveat, it should be noted that these figures are based on a very small sample size.

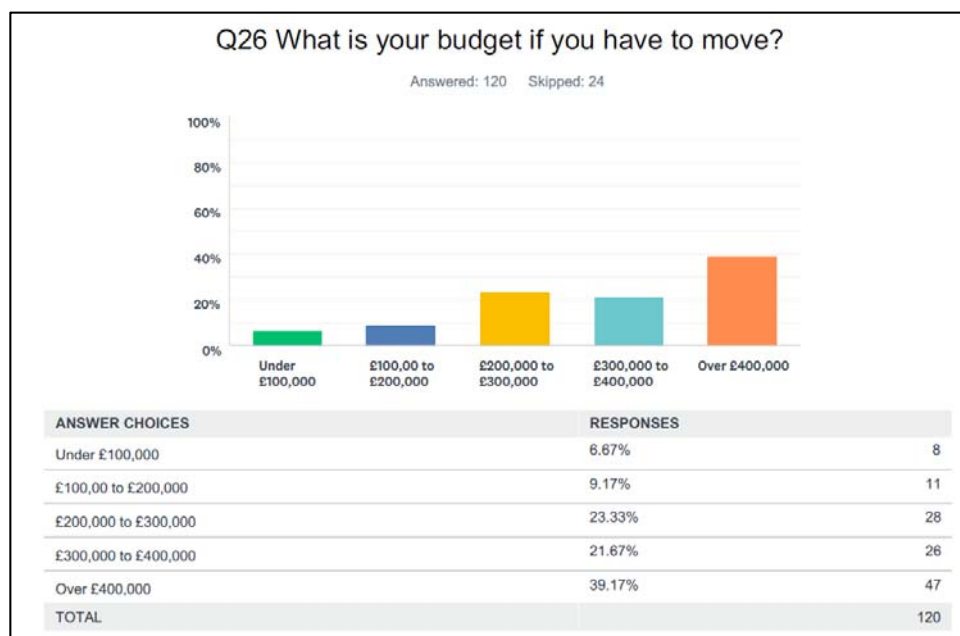
Table 5-11: Affordability thresholds and income distribution



Source: AECOM Calculations

111. To provide a more accurate insight into affordability in the NA, it is also useful to look at other sources of data available at the NA Level. The Abberley Parish Council Neighbourhood Plan 2017 Survey results gathered local views on housing preferences.
112. The responses shown below in Table 5-12 reveal the budget that respondents have if they were to move homes.

Table 5-12 : Abberley Residents Budgets



Source: Abberley Parish Council Neighbourhood Plan 2017 Survey

113. The data from Table 5-12 above is compared with the house price data from Table 5-10 to reveal which homes remain unaffordable to those with different budgets. This comparison is shown in Table 5-13 and it is evident that affordable housing is accessible to those on even the lowest budgets. However, at least 7% of respondents would not be able to afford a home unless they choose shared ownership of 25%. Moreover, only 39% of respondents will be able to afford homes for market sale, whilst 84% may be able to afford entry level market sale homes. However, it is evident that the

results from the survey differ from the results calculated using CACI data. It must be noted that the CACI data is more comprehensive than the survey, which may not be wholly representative of the NA, and therefore the survey results must be taken with caution.

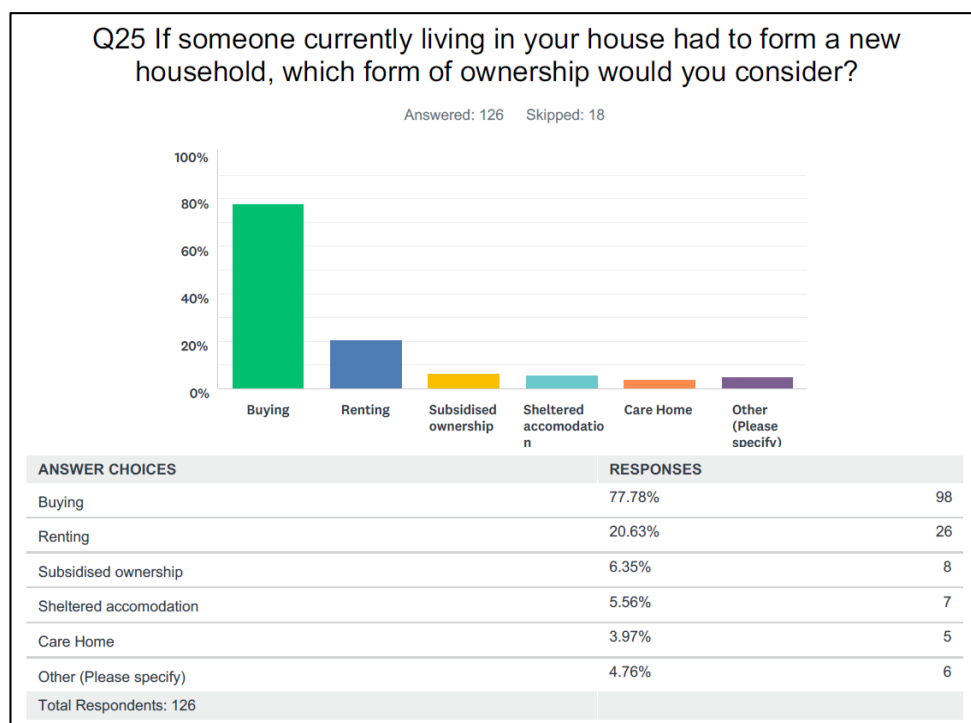
Table 5-13: Abberley Affordability Thresholds

Tenure	Price	Percentage of respondents who can afford (survey)	Percentage of respondents who can afford (CACI)
Market Sale	£414,084	39%	11%
Entry level Market Sale	£207,250	84%	47%
Shared ownership (75%)	£155,438	93%	53%
Starter Homes	£165,000	93%	60%
Shared ownership (50%)	£103,625	93%	67%
Shared ownership (25%)	£51,813	100%	75%

Source: AECOM Calculations, Abberley Parish Council Neighbourhood plan 2017 Survey, CACI

114. Table 5-14 below also shows how many would be willing to buy or rent their home. It is evident that 78% will be willing to buy their home, or it can be assumed that 78% will be willing to buy one of the housing tenures displayed in Table 5-8 above. It is also clear that roughly 6% of respondents will be willing to buy a shared (subsidised) ownership home.

Table 5-14: Tenure Preferences



Source: AECOM Calculations, Abberley Parish Council Neighbourhood Plan 2017 Survey

5.4 Conclusions- tenure and affordability

115. From the data presented in Table 5-11 and Table 5-10 it is evident that those households within the NA lower quartile of household income are unable to afford any Affordable Housing tenures, with the exception of affordable and social rent. Moreover, affordable and social rent still remains unaffordable for at least 8% of residents.
116. Affordable Housing Tenures should offer access to housing for those households in receipt of income above around £20,138, which is approximately 92% of the NA population.
117. For those earning the NA median income, they will be able to afford most affordable housing tenures. However, entry level market sale homes will still remain unaffordable to those who earn within this income bracket.
118. Whilst shared ownership remains one of the most affordable housing tenures, it is also the least preferred housing tenure according to Table 5-14. The preferences and ability of residents to purchase housing tenures have been

analysed and a final approximate affordable housing tenure split has been provided in Table 5-15. Only 6% of the Abberley Parish Council Neighbourhood Plan 2017 Survey respondents were willing to purchase a shared ownership home, and the decline of shared ownership homes seen in Table 5-2 reveals that this affordable housing tenure may not be popular with residents in the NA. Nevertheless, as shared ownership remains one of the most affordable housing tenures to those outside the NA, this percentage was rounded up to 10%.

119. To ensure that there is still a sufficient supply of affordable homes for those in the lower quartile housing ranges, 20% of affordable housing should be affordable or social rent, as approximately 18% of residents cannot afford even the cheapest housing tenure without diverting resources from other forms of expenditure. The remaining 70% has been equally split between starter homes and entry level market rent (30% each), in addition to 10 % which should be for entry level market sale homes. Starter homes and entry level market rent are both unaffordable to those whose household incomes are within the lower quartile. However, no more than 10% should be allocated to entry level market sale homes as this remain unaffordable to those whose household income is below the median income level.

Table 5-15: Tenure split (Affordable Housing)

Affordable Housing	
Entry Level Market Sale	10%
Starter Homes	30%
Entry Level Market Rent	30%
Shared Ownership	10%
Affordable and Social Rent	20%

Source: AECOM calculations

120. Home ownership remains the most dominant tenure type in the NA, but the growth of this sector remains low. Meanwhile the growth of the rental sector has been extremely high between 2001 –2011 (115% increase in the private rent sector in this period). However, as there is no data on the projected household tenure proportions, the final housing tenure split compared the current proportions with the proportion of demand stated in the Abberley Parish Council Neighbourhood Plan 2017 Survey. The final split is shown below.

Table 5-16: Tenure (households) in Abberley, 2011

Tenure	ONS Census 2011	Survey 2017	Final Split
Owned	80.7%	62%	70- 80%
Rented (Private or Social)	9.7%	20%	20- 30%

Source: AECOM Calculations, Abberley Parish Council Neighbourhood Plan 2017 Survey

121. It is important to note that these tenure splits in Table 5-15 and Table 5-16 are an indication only and tenure mix of new housing developments must adhere to the relevant policies in the Local Plan. As the emerging SWDP review is still being drafted, it is necessary to refer to the currently adopted SWDP 2016. **Policy SWDP15 states that 20%-40% of homes should be affordable depending on the site size** (see line 27 for a more detailed policy review). Moreover, it also states that there is a general preference for social rented homes unless local need for other tenure types have been demonstrated, which has been done in this HNA report.

6. RQ 3. Type and size

RQ3: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is best suited to meet local needs?

6.1 Introduction

122. As identified earlier in this study, PPG recommends a consideration of the existing housing provision and its suitability, having regard for demographic shifts in age and household composition as well as affordability, to address future as well as current community need. For this reason, we start with a consideration of type and size within the existing housing stock.

6.2 Background and definitions

123. Before beginning our consideration of type and size, it is important to understand how different types of households occupy their homes. Crucially, household 'consumption' of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth and income, with age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability¹⁹.

124. In this context, even smaller households (those with smaller numbers of inhabitants, including just one or two people) may be able to choose to live in larger homes than their needs would suggest, and thus would be defined in census terms as under occupying their homes. This is a natural feature of the housing market, and can even distort considerations of future housing needs, with market dynamics and signals giving a very different picture than demographics, household type and size suggest for future years.

125. In order to understand the terminology surrounding size of dwellings, it is important to note the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls; and to be clear that data on dwelling size is collected on the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' should be translated as follows²⁰:

- 1 room = bedsit
- 2 rooms = flat/house with one bedroom and a reception room/kitchen
- 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
- 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
- 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
- 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
- 7+ rooms = house with 3, 4 or more bedrooms

126. It is also useful to clarify somewhat the Census terminology around dwellings and household spaces, which can be confusing in the context of flats, apartments, shared and communal dwellings, and houses in multiple occupation, types which may typically fall into the private rented sector. Dwellings are counted in the census by combining address information with Census returns on whether people's accommodation is self-contained²¹, and as such all dwellings are classified into either shared or unshared dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.

127. The key measure of whether a dwelling is shared or unshared relates to the Census' definition of a household. A household is defined as "One person living alone or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area."²² On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an

¹⁹ SHMA15, pp.130, para 8.5

²⁰ <https://www.nomisweb.co.uk/census/2011/qs407ew>

²¹ <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

²² Ibid.

unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

128. Whilst it is unlikely that these issues are of particular relevance to Abberley, given that their main applicability is to students and other people likely to be sharing homes, it is still helpful to understand the terms as a background to the data in this chapter.

6.3 Existing types and sizes

6.3.1 Type

129. Table 6-1 below shows the mix of types of dwelling in the NA and how this compares with district and national geographies.
130. Abberley has a similar proportion of semi-detached homes in comparison with the District (28.3% against 30.6%). However, there is a significantly higher proportion of detached homes in the NA (60.7% against 43.8%). Meanwhile there are less terraced homes in the NA compared to the District average (8.7% against 11.0%) and virtually no flats, maisonettes or apartments in the NA.

Table 6-1: Accommodation type (households) in Abberley, 2011

Dwelling type		Abberley	Malvern Hills	England
Whole house or bungalow	Detached	60.7%	43.8%	22.4%
	Semi-detached	28.3%	30.6%	31.2%
	Terraced ²³	8.7%	11.0%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	0.7%	8.6%	16.4%
	Parts of a converted or shared house	0.3%	3.5%	3.8%
	In commercial building	0.3%	1.2%	1.0%

Source: ONS 2011, AECOM Calculations

6.3.2 Size

131. Table 6-2 below shows that households are slightly larger in Abberley compared to Malvern Hills (2.5 against 2.2). In the following paragraphs, we further investigate the size of dwellings in the NA.

Table 6-2: Occupancy Summary Table

	Abberley	Malvern Hills
All categories:	290	32,212
Average household size	2.5	2.2
Average number of rooms per household	7.1	6.2
Average number of bedrooms per household	3.4	3

Source: ONS 2011 (KS403EW)

132. It is also relevant to consider how the number of rooms occupied by households has changed between the 2001 and 2011 censuses. This metric provides a proxy for the size of dwellings in a given geography. This data is presented below in Table 6-3 and shows quite clearly that there has been a significant increase in smaller homes of 3 rooms (200%). However, this increase only represents an additional 6 homes. There has also been an increase of larger homes of 6 rooms or more. Notably, there has also been a slight decrease in homes of 4 rooms in the NA of -13.6%, however again this only represents a loss of 3 homes.

²³ The neighbourhood planning group has advised that the Census figures on terraced housing should be treated with caution in that there are very few traditional terraced homes in the Parish, and therefore the others may be barn conversions because some of them comprise dwellings in joined-together former farm buildings. Clearly, the price and size of a terraced dwelling in a barn conversion has the potential to differ significantly from that of a traditional terraced dwelling.

Table 6-3: Rates of change in number of rooms per household in Abberley, 2001-2011

Number of Rooms	Abberley	Malvern Hills	England
1 Room	0.0%	-33.0%	-5.2%
2 Rooms	0.0%	4.3%	24.2%
3 Rooms	200.0%	20.4%	20.4%
4 Rooms	-13.6%	-3.1%	3.5%
5 Rooms	0.0%	-2.0%	-1.8%
6 Rooms	15.9%	0.5%	2.1%
7 Rooms	10.9%	12.9%	17.9%
8 Rooms or more	11.7%	24.2%	29.8%

Source: ONS 2011, AECOM Calculations

133. Table 6-4 below sets out the distribution of the number of rooms by household accommodation (household space). From this data, it is apparent that there is a predominance of larger dwellings, not only in Abberley but also in Malvern Hills, whilst there are few houses of one to three habitable rooms.
134. 90% of the stock in Abberley can be considered family dwellings (four rooms or more) and 75% of them are large properties (with 6 rooms or more). The remaining 22% of homes are of medium size (four to five habitable rooms). These figures are divergent to the distribution of housing in Malvern Hills. In Malvern Hills, 76% of the stock can be considered family dwellings and 57% of these are large properties. Meanwhile only 3% of homes in Abberley have one to three rooms compared to a slightly higher 9% in Malvern Hills.

Table 6-4: Number of rooms per household space, 2011

Number of Rooms 2011		Abberley		Malvern Hills	
	Frequency	%	Frequency	%	
1 Room	0	0%	65	0%	
2 Rooms	0	0%	457	1%	
3 Rooms	9	3%	2,293	7%	
4 Rooms	19	7%	4,856	15%	
5 Rooms	45	16%	6,158	19%	
6 Rooms	51	18%	6,222	19%	
7 Rooms	51	18%	4,381	14%	
8 Rooms or more	45	16%	3,387	11%	
9 Rooms or more	70	24%	4,393	14%	
Total	290	100%	32,212	100%	

Source: ONS 2011, AECOM Calculations

135. It is also particularly useful to cross-reference this data with Census estimates of the number of bedrooms for each household in Abberley and Malvern Hills. Table 6-5 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. The data shows that the distribution of bedrooms in Abberley is fairly similar to that of Malvern Hills, although homes tend to be larger in the NA.

Table 6-5: Number of bedrooms in household spaces, 2011

Bedrooms	Abberley		Malvern Hills	
	Number	%	Number	%%
All categories: Number of bedrooms	290		32,212	
No bedrooms	0	0%	35	0%
1 bedroom	8	3%	2,694	8%
2 bedrooms	46	16%	7,985	25%
3 bedrooms	119	41%	12,586	39%
4 bedrooms	83	29%	6,518	20%
5 or more bedrooms	34	12%	2,394	7%

Source: ONS 2011 (QS411EW), AECOM Calculations

6.3.3 Summary- dwelling size

136. In summary, homes in Abberley are mostly large in size, with a sizable amount of medium sized homes. Homes are significantly larger than those in the District. Recent trends suggest that larger homes are in significant demand in the NA, as there has been a significant increase in the amount of these homes delivered over the intercensal period. Meanwhile, a decrease in homes of four rooms has been compensated by an increase in homes of 3 rooms in the NA. Nevertheless, the above data suggests that there is a growing demand for larger properties of 6 rooms or more in the NA.

6.4 Household composition and age structure

137. Having established the current stock profile of Abberley, and identified recent changes in its composition, the evidence assembled in this section shows the composition of households both now and how they are likely to change in future years. Through a consideration of the types of households forming, and the mix of age groups, it is possible to arrive at recommendations as to how size of housing in Abberley should be influenced through planning policy.

6.4.1 Current household composition

138. Household composition is a fundamental factor driving the size of housing that will be needed in Abberley in the future. As of 2011, the NA had 290 households, representing 0.9% of the District's total.
139. In Table 6-6 below, we present data relating to household composition drawn from Census 2011 in the NA. Overall, the findings differ slightly with those of the District. In the NA, families constitute 75.2 % of households, while in the District they form 65.4%, a difference of 9.8%; one person households form a significantly smaller proportion of all households in the NA than the District (19.7% as against 29.7%). There is a higher proportion of families without children in Abberley compared to the District (24.5% against 20.5%). Moreover, there are fewer one person householders aged 65 and over in the NA than the District (12.8% against 15.5%) and fewer one person households that are aged 65 and under in the NA (6.9% against 14.1%).

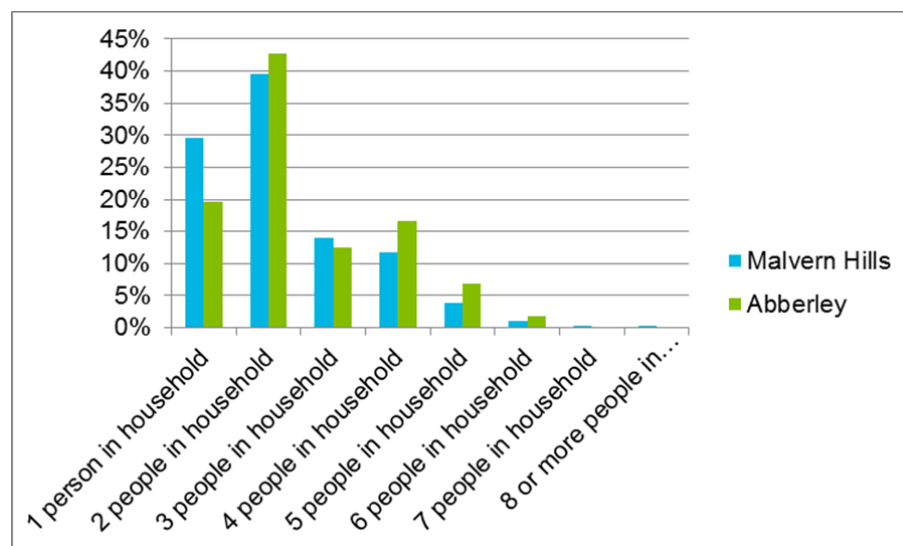
Table 6-6: Household composition (by household) in Abberley, 2011

		Abberley	Malvern Hills	England
One person household	Total	19.7%	29.7%	30.2%
	Aged 65 and over	12.8%	15.5%	12.4%
	Other	6.9%	14.1%	17.9%
One family only	Total	75.2%	65.4%	61.8%
	All aged 65 and over	12.8%	12.9%	8.1%
	With no children	24.5%	20.5%	17.6%
	With dependent children	29.7%	23.0%	26.5%
	All children Non-Dependent	8.3%	9.0%	9.6%
Other household types	Total	5.2%	4.9%	8.0%

Source: ONS 2011, AECOM Calculations

140. As seen in Table 6-7 the most dominant household size is that of 2 persons which accounts for 40% of all housing in Abberley, compared to 43% in Malvern Hills. One person households are the second most common house type in Malvern Hills at 30%, and Abberley at 20%. Nevertheless, Abberley is fairly similar to Malvern Hills in terms of household size distribution and therefore, District-wide policies regarding type and size are likely to be relevant in Abberley.

Table 6-7: Household Size



Source: ONS 2011 (QS406EW), AECOM Calculations

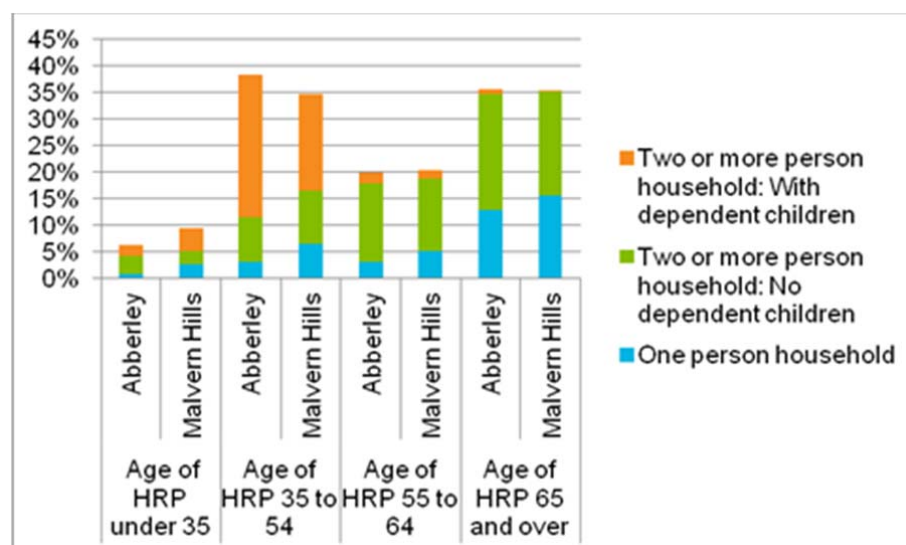
6.4.2 Consideration of age

141. The data presented below classifies households in Abberley and Malvern Hills according to the age of the Household Reference Person (HRP). Size and type of housing is not only influenced by household composition, but also by the age of the HRP. The following observations can be highlighted from the data presented in Table 6-8 below:

- The distribution of household types among different life stages in the NA and the District are fairly similar. Although it is evident that Abberley has a slightly larger middle-aged population with higher proportions of those aged 35 to 54.
- The most dominant population group in Abberley is those aged 35 to 54, which forms 38% of the population. People in this category are also the most likely to have dependent children.

- Households headed by older people also form a significant proportion of households in Abberley at 36%. This is also similar to the proportion of the wider Malvern Hills District which has 35% of its homes headed by those aged 65 and older.

Table 6-8: Households by age of the HRP



Source: ONS 2011 (qs111ew), AECOM Calculations

6.4.3 Future household composition and age mix

142. We now consider how household composition has shifted over the 2001-11 inter-census period, before examining how it is expected to evolve towards the end of the Plan period.
143. Table 6-9 below shows that one person households have increased significantly in Abberley compared to Malvern Hills (26.7%% change against 14.4%). However, there has been a significant increase in the homes headed by one person over the age of 65, especially when compared to the District and National averages (37% against 4.9% and -7.3% respectively). A similar increase can be seen with family homes of those aged 65 and over, which has seen a large increase of 37% in the NA compared to an increase of just 6.8% in the District and a decline of -2% nationally.

Table 6-9: Rates of change in household composition in Abberley, 2001-2011

Household type		Percentage change, 2001-2011		
		Abberley	Malvern Hills	England
One person household	Total	26.7%	14.4%	8.4%
	Aged 65 and over	37.0%	4.9%	-7.3%
	Other	11.1%	27.1%	22.7%
One family only	Total	10.1%	4.1%	5.4%
	All aged 65 and over	37.0%	6.8%	-2.0%
	With no children	1.4%	5.6%	7.1%
	With dependent children	22.9%	0.4%	5.0%
	All children non-dependent	-22.6%	6.9%	10.6%
Other household types	Total	-44.4%	7.1%	28.9%

Source: ONS 2011, AECOM Calculations

144. It would be helpful to consider how households in Abberley are projected to change in the future and whether the trends observed in the intercensal period will continue. Unfortunately, detailed projections of future populations are not available for individual towns or parishes, so it is necessary to turn to projections for Malvern Hills as a whole.

145. MHCLG publishes bi-annual household projections for all local authorities in England and Wales, broken down by household type, and also provides projections of the average household size and age.
146. Table 6-10 shows that there are significant increases in household projections in Malvern Hills for most household types, especially those with one person and couple and no other adults (29% and 18% respectively). The biggest increase expected is that of other household types (33%), albeit from a low base of just 1,614 households.

Table 6-10: MHCLG Household projections for Malvern Hills by household type

	One person	Couple and no other adult	Couple and one or more other adult	Households with dependent children	Other
2014	10,111	11,241	2,459	7,597	1,614
2039	13,003	13,257	2,560	8,519	2,141
% Increase between 2014 and 2039	29%	18%	4%	12%	33%

Source: MHCLG 2014-based household projections (table 420)

147. The projections for Abberley also consider the increases in each household up to 2039. The biggest increase projected for the District is for older households with those aged 65 and older, which may experience an 56% increase between 2014 and 2039.

Table 6-11: MHCLG Household projections for Malvern Hills by household age

	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	3,055	11,204	6,551	11,402
2014	2,648	10,658	6,276	13,439
2039	2,057	10,473	6,044	20,908
% Increase between 2011 and 2039	-13%	-5%	-4%	18%
% Increase between 2014 and 2039	-22%	-2%	-4%	56%

Source: ONS 2011 (QS111EW), MHCLG 2014-based household projections

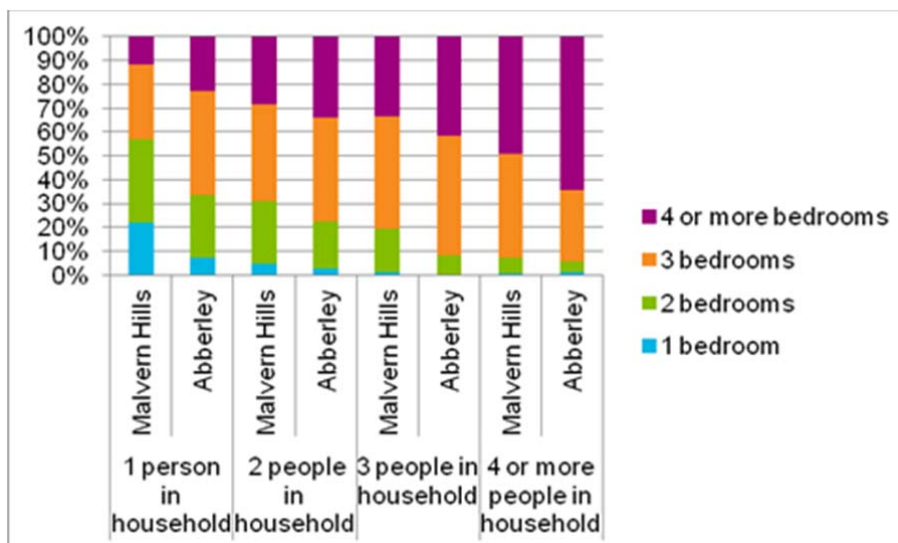
6.5 Current patterns of occupation

148. To estimate the housing mix needed by the end of the Plan period we adopt an approach which assumes that the housing mix needed by households will reflect current occupation patterns. We estimate the housing likely to be required in the future based on the current propensity of households of different ages to occupy different sizes of dwelling. For example, a growth in single person households aged 65-74 will lead to an increase in the need for the type of housing currently occupied by single person households of this age.

6.5.1 Size

149. Table 6-12 shows household size cross tabulated against the number of bedrooms in their property, in both the NA and the District. In both the NA and the District, households with three or more residents generally has at least three bedrooms. Among households with fewer members, the number of spare bedrooms increases. 41% of properties in the NA have three or more bedrooms and 93% of single person households have two or more bedrooms. As we showed before, smaller households occupy larger dwellings than their size suggest.

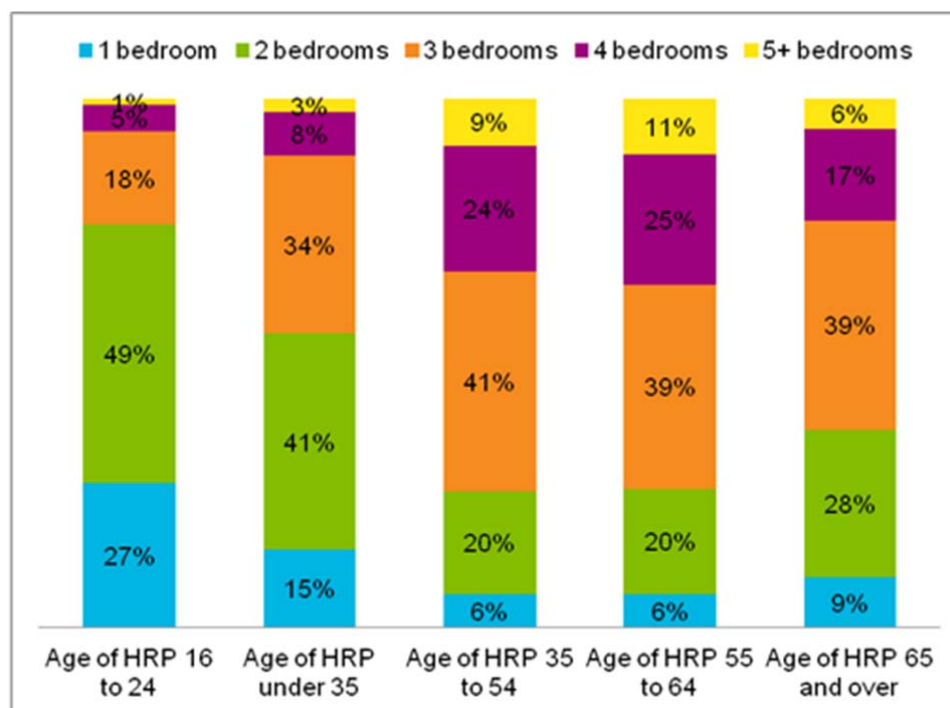
Table 6-12: Number in households by numbers of bedrooms



Source: ONS 2011 (LC4405EW), AECOM Calculations

150. The housing mix is also influenced by the household life stage. However, no data is available at the Parish level providing housing size occupation by age of the HRP. Nonetheless, this data is available at the District level and can be used as a proxy for Abberley. That data is presented in Table 6-13 below and shows the size of property occupied by different age groups. In Malvern Hills, younger households where the HRP is aged under 35 are more likely to live in smaller to medium properties of 1-3 bedrooms. However, whilst 2 bedroom properties are the most common choice for that age group, households headed by someone over the age of 35 are most likely to live in a 3 bedroom home.

Table 6-13: Age of household reference person to size in Malvern Hills, 2011

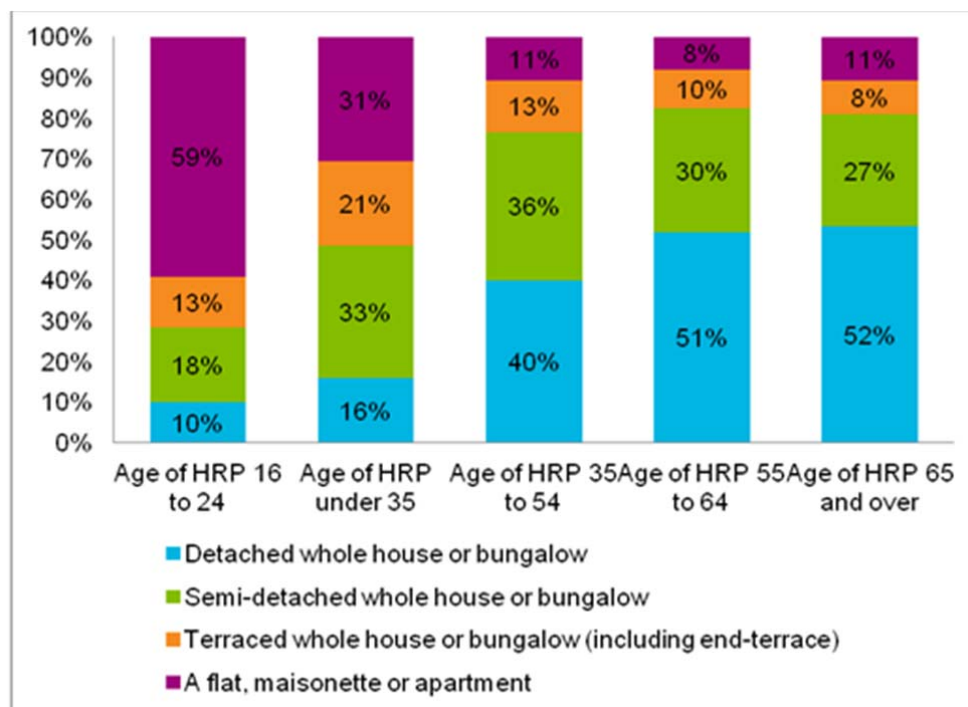


Source: ONS 2011 (CT0621), AECOM Calculations

6.5.2 Type

151. Census data also shows the type of housing occupied by HRP's in different age groups at the District level, and this is summarised below in Table 6-14. Age does not seem to influence the type of housing, with the exception of younger households under 35, who are far more likely to live in terraced homes or flats.

Table 6-14: Age of household reference person to type in Malvern Hills, 2011



Source: ONS 2011 (CT0621), AECOM Calculations

6.6 Dwelling mix determined by life-stage modelling

152. In this section, we provide an estimate of the mix of sizes of home needed by the end of the Plan period by matching future household composition to current patterns of occupation by age (working from the assumption set out at the start of this section that the same household types are likely to wish to occupy the same size of homes in 2041 as they did in 2011).
153. First, we use household projections provided by MHCLG to achieve an understanding of the future distribution of households by the age of the Household Reference Person (HRP). This data is only available at the District level and for the years 2014 and 2039. Therefore, we had to estimate what the distribution of households, by the age of the HRP, would be in 2041. The data is presented in Table 6-15 below.

Table 6-15: Projected distribution of households by age of HRP (Malvern Hills)

	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	642	2,413	11,204	6,551	11,402
2014	522	2,126	10,658	6,276	13,438
2039	422	1,635	10,472	6,043	20,907
2041	414	1,596	10,457	6,024	21,505

Source(s): MHCLG 2014-based household projections, ONS 2011(QS111EW) (LC4201EW), AECOM Calculations

154. At this point it is necessary to derive an estimate of the change to the age structure of the population in Abberley. To do so, the percentage of increase expected for each group in Malvern Hills, derived from the data presented in Table 6-15, was applied onto the population of Abberley. The results of our calculation are detailed in Table 6-16 below:

Table 6-16: Projected distribution of households in Abberley by age of HRP

	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	2	16	111	58	103
2014	2	14	106	56	121
2039	1	11	104	54	189
2041	1	11	104	53	194

Source: ONS 2011(QS111EW) (LC4201EW) AECOM Calculations

155. In Table 6-17 below, we work from the same dataset as Table 6-13 (which provides a more detailed data set than is available at the local level) and set out the distribution of dwellings of different sizes according to the age of the HRP.

Table 6-17: Age of household reference person to size, grouped (Malvern Hills)

	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	27%	15%	6%	6%	9%
2 bedrooms	49%	41%	20%	20%	28%
3 bedrooms	18%	34%	41%	39%	39%
4 bedrooms	5%	8%	24%	25%	17%
5+ bedrooms	1%	3%	9%	11%	6%

Source(s): MHCLG 2014-based household projections, ONS 2011 (CT0621), AECOM Calculations

156. Having established the preference shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in Malvern Hills and Abberley falling into each of these stages at the end of the Plan period in 2041, it is possible to put forward recommendations regarding how the housing stock should evolve in terms of size over the Plan period to overcome any misalignments between supply of dwellings and demand.

Table 6-18: Ideal size distribution in Abberley in 2041, according to household life-stages

	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total Households requiring dwelling sizes
Pop 2041	1	11	104	53	194	363
1 bedroom	0	2	6	3	17	28
2 bedrooms	1	4	21	11	54	91
3 bedrooms	0	4	43	20	76	143
4 bedrooms	0	1	25	13	34	73
5+ bedrooms	0	0	9	6	13	28

Source: Census 2011, AECOM Calculations

157. It is now possible to compare the housing mix in terms of size in 2011 against the projected requirement based on the ideal size distribution in Abberley set out above. Table 6-19 below indicates that, by 2041, the distribution of dwellings should be weighted more towards the middle of the size spectrum, with a particular focus on dwellings of 2 - 4 bedrooms.

Table 6-19: Size distribution in 2011 compared to ideal distribution in 2036 (Abberley)

Number of bedrooms	2011		2036	
1 bedroom	8	3%	28	8%
2 bedrooms	46	16%	91	25%
3 bedrooms	119	41%	143	39%
4 bedrooms	83	29%	73	20%
5 or more bedrooms	34	12%	28	8%
Total households	290		363	

Source: Census 2011, AECOM Calculations

158. Table 6-20 below sets out the dramatic misalignment between demand for housing, based on the preferences expressed by households at different life-stages, and the current stock available in the NA.

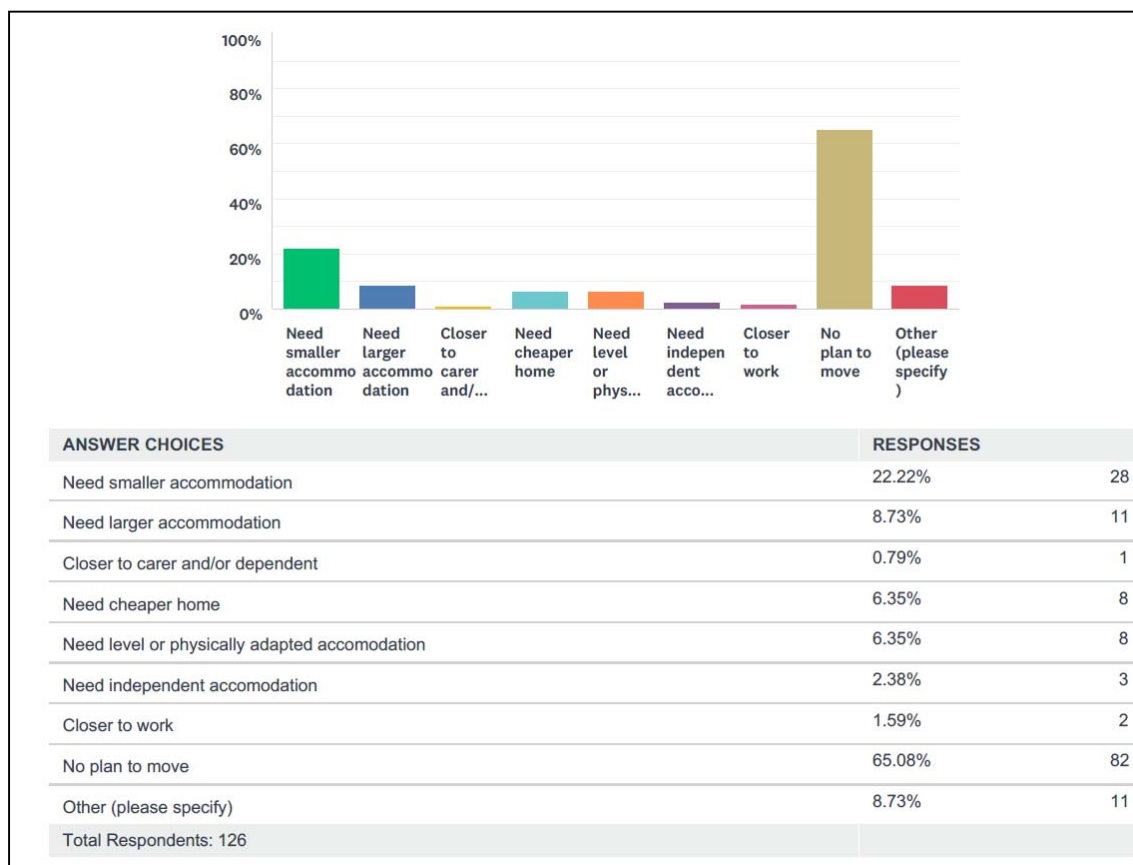
Table 6-20: Misalignments of supply and demand for housing

Number of bedrooms	2011	2036	Change to housing mix	Recommended split
1 bedroom	8	28	20	22%
2 bedrooms	46	91	45	51%
3 bedrooms	119	143	24	27%
4 bedrooms	83	73	-10	0%
5 or more bedrooms	34	28	-6	0%

Source: AECOM Calculations

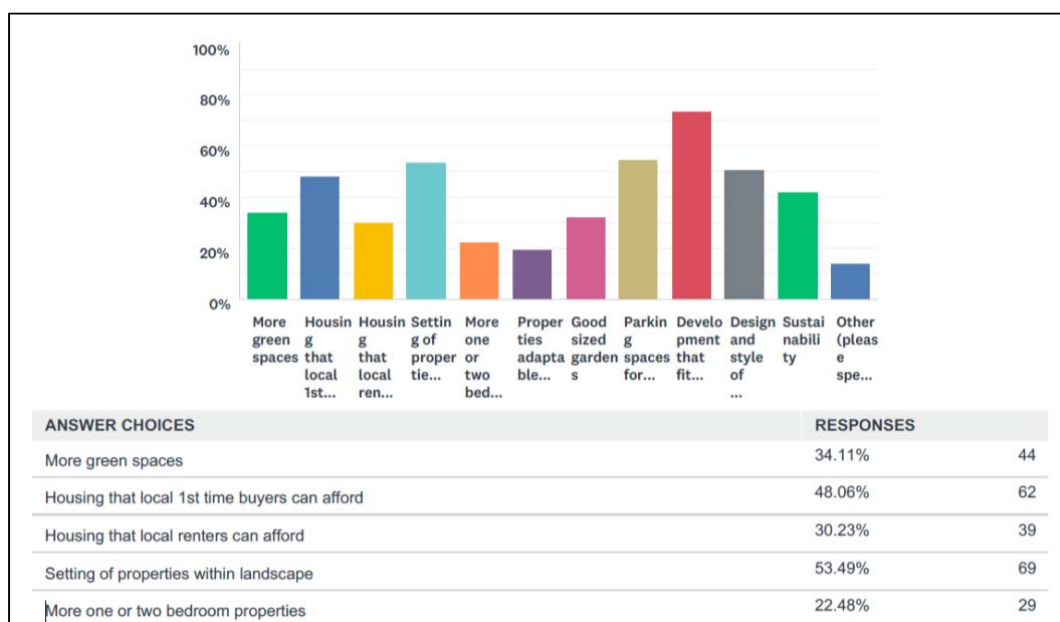
159. In order to avoid misalignment between supply and demand and to re-equilibrate the stock, we recommend the above split in housing type. However, it is important to note that demographic data is not a sole indicator for types and sizes of housing needed. As we have seen, the housing mix reflects household demand and preferences, and as such, cannot be inferred purely from looking at age and household composition. It is evident from Table 6-21 and Table 6-22 below that there is a higher demand for smaller accommodation, especially 1-2 bedroom homes, than large homes (22% of respondents stated a need for smaller homes, compared to 9% for larger homes).

Table 6-21 : Abberley Housing Size Preferences



Source: Abberley Parish Council Neighbourhood plan 2017 Survey

Table 6-22 : Abberley Housing Size Preferences



Source: Abberley Parish Council Neighbourhood Plan 2017 Survey

6.7 Dwelling mix required

160. Homes in Abberley are mostly large in size, with a sizable amount of medium sized homes. Properties tend to be larger in the NA than the wider District with the average number of rooms per household space being 7.1 against 6.2 in the District. The vast majority of homes (90%) are detached and semi-detached homes. Recent trends suggest that larger homes are in significant demand in the NA, as there has been a significant increase in the amount of these homes delivered over the intercensal period. However, the life stage modelling and Abberley Parish Council Neighbourhood plan 2017 Survey reveal that smaller homes are projected to be in most demand.
161. With regard to dwelling type required, the current Abberley Parish Council Neighbourhood Plan 2017 Survey does not have data on preferences for housing type and thus it may be necessary to conduct a housing needs survey that gathers more accurate data on household preferences in regards to housing type.
162. In order to estimate the dwelling sizes required by the end of the Plan period, we averaged the dwelling mix based on occupancy rates and household preferences expressed in the survey. For example, the occupancy rates indicate no need for four-bedroom or more properties (0%), while more households have expressed a need for that size in the Household Survey (9%). The average of these two percentages is 5%.
163. Furthermore, it can be argued that, despite the demand identified for larger dwellings based on household preferences in the District, there is less of a need to include dwellings containing four bedrooms and above in the future housing mix. Indeed, downsizing households will free up larger dwellings, thereby meeting the demand for that type, without needing to build as many large properties as the household preferences proportions would suggest. Downsizing households will also allow the increase of smaller properties necessary to retain a younger population and is more in line with the residents' comments expressed in the Local Housing Needs Survey. The dwelling mix required is shown in below Table 6-23.
164. However, it must be noted that type of housing is mostly influenced by preferences than by objective need. Therefore caution must be applied to the dwelling mix required shown in below Table 6-23.
165. Moreover, the current Abberley Parish Council Neighbourhood Plan 2017 Survey does not have data on preferences for housing type and thus it may be necessary to conduct a housing needs survey that gathers more accurate data on household preferences in regards to housing type.

Table 6-23: Dwelling sizes required

Number of bedrooms	Final Split
1 bedroom	20%
2 bedrooms	45%
3 bedrooms	30%
4 bedrooms	5%

Source: AECOM Calculations

7. RQ 4: Specialist Housing

RQ4: What provision should be made for specialist housing for elderly people within the NA?

7.1 Introduction

166. The following section considers the specific needs associated with older people in Abberley and makes projections of how needs might change in the future. To do so, we are drawing upon available secondary data on existing provision rates, the outputs of demographic modelling and the subsequent use of a tool recommended by the Housing Learning and Improvement Network (HLIN).
167. Older people typically occupy a broad range of accommodation, including market housing and more specialist accommodation. Two main types of specialist accommodation for older people include sheltered housing and extra care housing (see Appendix B for definitions).

7.2 Background

168. Before considering the need for specialist housing in Abberley in more detail, it is useful to understand the national context for specialist housing for the elderly across England (see Appendix A for definitions).
169. Between 1974 and 2015, the population aged 65 and over in England grew 47% and the population aged 75 and over grew by 89%. A Demos survey of over 60s conducted in 2013 found a “considerable appetite” amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.
170. Indeed, 76% of those in homes of three or more bedrooms wished to downsize, and this rose to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both. However, despite evidence of high demand, currently only 5% of elderly people’s housing is made up of specialist homes, with Demos suggesting that, “the chronic under-supply of appropriate housing for older people is the UK’s next housing crisis”, and local authorities are often “accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs”. Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately does is likely to be relatively low, and many who do may move into general needs housing, for example market sale bungalows.
171. In 2014 there were approximately 450,000 sheltered social rented and private sector retirement dwellings in England, with approximately one quarter of these in private sector and the rest provided at social rent levels. This situation reflects the significant constraints on the delivery of such housing in the market sector, as well as the improved health of older people today in comparison with previous generations.
172. Given that the vast majority of people over 75 live in their own homes, but that the current stock is primarily for social rent, AECOM has developed a ‘tenure-led’ approach to calculating the need for specialist housing, which also takes into account the health and mobility of population of the NA so as to arrive at projections for future need for specialist housing provided with some level of care or other services.
173. The following section applies a three-stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of elderly people in the NA, and census data relating to mobility limitations and overall health. These are then compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across Malvern Hills.
174. Clearly, this calculation represents an assumption, with the actual decision for an elderly person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of elderly people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of elderly people currently choose to continue to live in their homes into their old age.
175. The charity Age UK suggests that, “inaccessible housing should not force anyone out of their home or local community against their wishes. It’s much better to have ‘pull factors’ that attract older people towards housing alternatives.” By understanding the tenure breakdown of specialist housing need, we are able to better understand the extent to which demand will be a factor in this market segment.

7.3 Current supply of specialist housing for the elderly in Abberley

176. Looking at specialist housing that is not classified as a communal establishment, there are no specialist accommodation residences in Abberley. This suggests the actual rate of specialist dwelling bed space provision in the NA is close to 0 dwellings per 1000 population aged 75+.

7.4 Future needs for specialist housing for the elderly

Modelling change in the population over 75 by the end of the Plan period

177. Table 7-1 below identifies the growth in the population of residents over 75 between 2011 and 2041 and shows an estimate of the number of residents aged 75+ in 2041 (**141 in the NA**).

Table 7-1: Modelled change in the population over 75 between 2011 and 2035

Year	2011		% Abberley population in Malvern Hills	2041 Projection	
Area	Abberley	Malvern Hills		Abberley	Malvern Hills
All ages	836	74,631	1.12%	973	86,900
75+	65	8,707	0.75%	141	18,800
% of 75+	7.78%	11.67%	-	14.49 %	21.63%

Source: 2014-based Sub-national population projections and Census 2011 (ONS), AECOM calculations

178. The method we use to arrive at this number can only be an estimate given that Government population projections do not provide data at the NA level. AECOM uses the following four-step method to arrive at the estimate:
179. Using MHCLG population projections, we take the size of the total population (86,900) and population aged 75+ (18,800) at the end of the Plan period for the local authority.
180. Using Census data 2011, we take the population size for Abberley and Malvern Hills together with the number of those aged 75+.
181. We arrive at an estimate of the size of the total population in Abberley at the end of the Plan period by assuming it is the same proportion of the Malvern Hills population as in 2011, which produces a number of **973**;
182. To arrive at an estimate of the 75+ population in Abberley at the end of the Plan period, we assume it is the same proportion of the Malvern Hills population aged 75+ as in 2011, which produces a number of **141**.
183. In both the NA and the District, the proportion of people aged 75+ is expected to increase by 2041. It is forecasted to form 14.49% of the total population in Abberley and 21.63% in the District. In Abberley, this results in **an increase of 76 people aged 75+** between 2011 and 2041.

7.4.1 Quantity of housing needed for older people

184. We first take into account backlog need (i.e. the provision required across the additional and existing elderly population to raise levels to meet the amount of need). Here, there is a backlog identified, as there is no provision in Abberley and therefore it is below the national average and the HLIN recommendation (251 specialist dwelling units for an elderly population of 75+).
185. Using the estimation of residents of 141 aged 75+ expected; we would recommend that Abberley plans **for 35 additional specialist dwellings**, or approximately 2 per annum until the end of the Plan period. We recommend the group to use the HLIN recommendation as it the highest recommendation and may better reflect the significant increase in older people expected in the NA. The HLIN recommendation produces a need for 35 specialist dwelling units.

Table 7-2: Range of specialist housing need projections based on different rates of provision

	Provision at current rate (349/1000 population 75+)	Need based on national average (170/1000 population 75+)	Need based on HLIN recommendation (251/1000 population 75+)
Rates			
2018 Provision	0	319	471
2041	-	24	35
Additional Provision Required	-	24	35
Average (of Additional Provision Required)	20		

Source: AECOM Calculations

7.4.2 Type of housing needed for older people

186. In arriving at an appropriate type of housing for older people, we have applied the Housing Learning and Improvement Network's Strategic Housing for Older People Analysis (SHOP@) tool and its suggested numbers per 1,000 of the 75+ population²⁴. This tool was published to show the prevalence rates for different types of specialist housing for persons aged 75 and over, and is reproduced in Table 7-3 below.

Table 7-3: Older person's prevalence rate

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) ²⁶	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: Housing LIN (2011)

187. Table 7-2 showed an estimate of the number of older people aged 75+ in 2041 to be **141**. According to our calculations, this will result, over the Plan period, in a need for 35 dwelling units in specialist accommodation broken down as set out in Table 7-4.

²⁴ Housing LIN (2011) Strategic Housing for Older People: Planning, designing and delivering housing that older people want, available online at: http://www.housinglin.org.uk/_library/Resources/Housing/SHOP/SHOPResourcePack.pdf

Table 7-4: Additional Specialist Housing Provision between 2018 and 2041

	Form of provision	Provision per thousand	Provision per actual number
Adaptations, sheltered, or retirement living	Conventional sheltered housing to rent (affordable)	60	8
	Leasehold sheltered housing (market)	120	17
Housing with care (e.g. extra care)	Enhanced sheltered housing (divided 50:50 between that for rent and that for sale)	20	3
	Extra care housing for rent (affordable)	15	2
	Extra care housing for sale (market)	30	4
	Housing based provision for dementia (affordable)	6	1

Source: Housing LIN (2011), AECOM Calculations

188. Table 7-5 below gives a grouped breakdown.

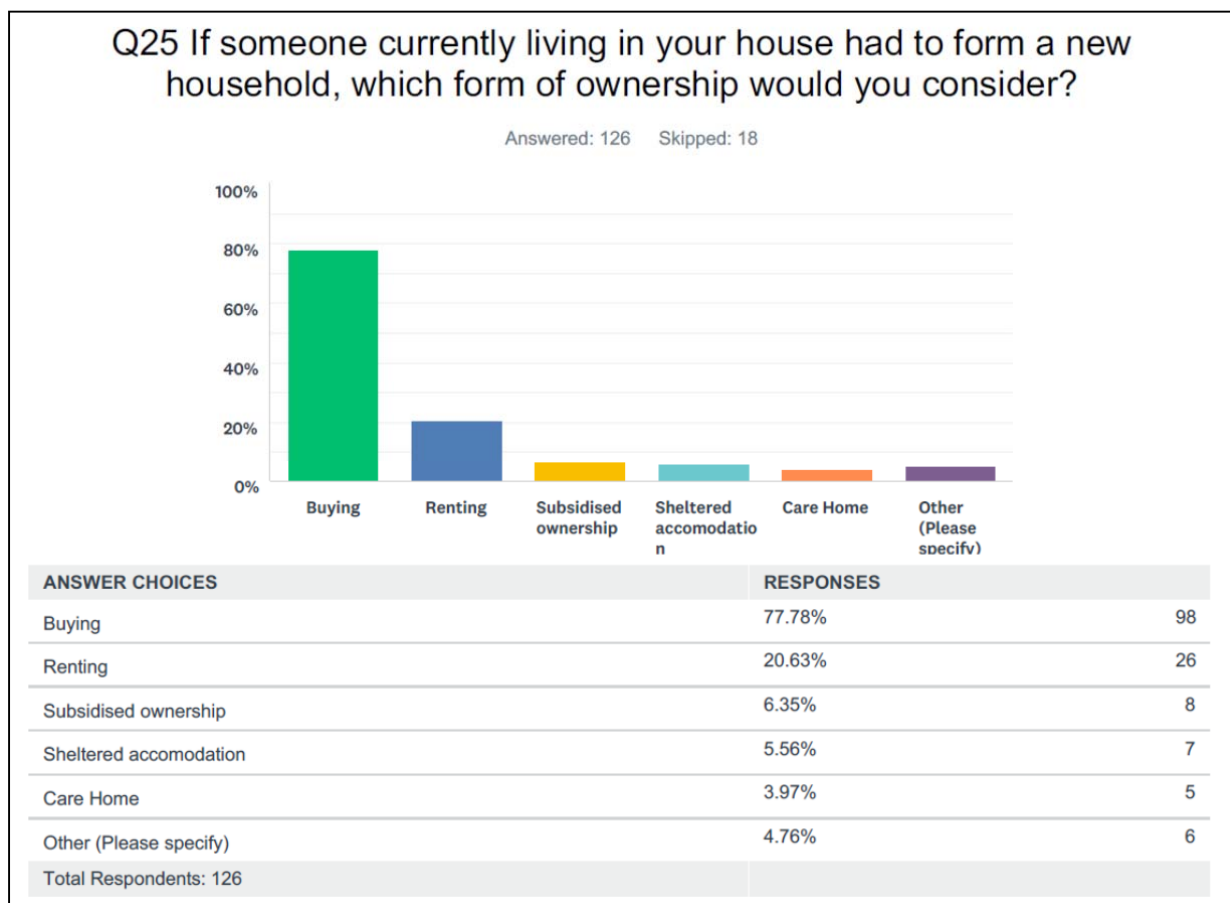
Table 7-5: Additional Specialist Housing Provision between 2018 – 2041 (Type and Tenure)

	Affordable	Market	Total
Adaptations, sheltered, or retirement living	8	17	25
Housing with care (e.g. extra care)	4	6	10
Total	13	23	35

Source: AECOM Calculations

189. We note that there is no obligation for these all to be provided within the NA itself and clearly in some cases, such as providing a single specialist dementia care dwelling, it would not be economically feasible to do so. As such, these 35 specialist dwellings need not be thought of as all needing to be provided within the Neighbourhood Plan housing need figure - rather, there will be some overlap between these dwellings and the target, depending on the number that could be provided within the NA itself. This specialist dwelling need is likely, therefore, to be split between the NA and the rest of the District, which will enable the elderly to live either within or as close to the NA as possible.
190. Nevertheless, it is necessary that the specialist housing need takes into account the preferences identified in the Abberley Parish Council Neighbourhood Plan 2017 Survey (shown below in Table 7-6). It is clear that there is a low demand for specialist housing such as sheltered accommodation (5.56%) and care homes (3.97%). Therefore, again it may not be necessary to provide the specialist dwellings required in the NA, but it may be more feasible to do so in the wider District, especially as the elderly population is expected to rise significantly in the District.

Table 7-6 : Abberley housing tenure preferences



Source: Abberley Parish Council Neighbourhood plan 2017 Survey

8. Conclusions

8.1 Overview

Table 8-1: Summary of local factors specific to Abberley with a potential impact on neighbourhood plan housing characteristics

Factor	Source(s) (see Chapter 3)	Evidence	Conclusion
Quantity	NPPF, South Worcestershire JAP, calculations by David Nicholson	<p>On the basis of the methodology provided by the South Worcestershire JAP, but bearing in mind the caveats associated with that methodology, it is possible to calculate the quantity of housing that Abberley should plan for through its Neighbourhood Plan. The Parish Council's retained planning consultant, David Nicholson, kindly provided a calculation endorsed by AECOM.</p> <p>At the 2011 Census, Abberley's parish population was 836 people. This comprises 0.82% of the total population of rural parishes in South Worcestershire (101,794).</p> <p>Therefore, over the period 2021-2030, Abberley's indicative housing requirement is 0.82% of the additional 58 dwellings to be distributed to SW rural parishes, which comprises 0.47 dwellings.</p> <p>Over the period 2031- 2041, Abberley's indicative housing requirement is 0.82% of the additional 1,761 dwellings to be distributed to South Worcestershire's rural parishes, which comprises 14.4 dwellings.</p>	<p>Abberley's indicative housing requirement figure over the SWDPR period of 2021-2041 is a total of (0.47+14.4=) 15 dwellings (rounded). This equates to an average annual rate of 1.3 dwellings per year</p>

Tenure and Affordability	<p>Abberley Parish Council Neighbourhood Plan 2017 Survey, AECOM Calculations, CACI, , Census 2001/2011, Land Registry PPD, RSH,</p> <p>https://www.rightmove.co.uk,</p> <p>https://www.home.co.uk</p>	<p>Home ownership remains the most dominant tenure type in the NA, but the growth of this sector remains low. Meanwhile the growth of the rental sector has been extremely high between 2001 –2011 (115% increase in the private rent sector in this period). Meanwhile, there has been little change in the amount of shared ownership or social rental homes in both the NA and the wider District.</p> <p>Affordable Housing Tenures should offer access to housing for those households in receipt of income above around £20,138 which is approximately 92% of the NA population.</p> <p>Households within the lower quartile of household income can only afford social and affordable rent homes without diverting resources from other forms of expenditure.</p> <p>Market, Affordable and social rent in addition to Shared Ownership and Starter homes offer a route to home ownership for those households with a median income.</p> <p>Market affordable Housing Tenures should offer access to housing for those households in receipt of income above around £14,007.</p>	<p>Evidence from the Abberley Parish Council Neighbourhood Plan 2017 Survey and Census data shows that the demand for shared ownership is fairly low and therefore it may indeed make sense to focus on other affordable housing tenures. A greater focus on delivering homes which are for affordable and social rent is necessary as this is also genuinely affordable to those whose households are within lower quartile income level.</p> <p>The final tenure split is:</p> <table><tr><td>Owned</td><td>70- 80%</td></tr><tr><td>Rented</td><td>20- 30%</td></tr></table> <p>In line with Policy SWDP 15 from the South Worcestershire Development Plan (SWDP) 2016 20-40% of homes should be affordable housing. Of this 20-40% affordable housing allocation, the affordable housing tenure split in the Abberley Neighbourhood Plan Area should be provided as follows:</p> <table><tr><td>Entry Level Market Sale</td><td>10%</td></tr><tr><td>Starter Homes</td><td>30%</td></tr><tr><td>Entry Level Market Rent</td><td>30%</td></tr><tr><td>Shared Ownership</td><td>10%</td></tr><tr><td>Affordable and Social Rent</td><td>20%</td></tr></table>	Owned	70- 80%	Rented	20- 30%	Entry Level Market Sale	10%	Starter Homes	30%	Entry Level Market Rent	30%	Shared Ownership	10%	Affordable and Social Rent	20%
Owned	70- 80%																
Rented	20- 30%																
Entry Level Market Sale	10%																
Starter Homes	30%																
Entry Level Market Rent	30%																
Shared Ownership	10%																
Affordable and Social Rent	20%																

Type and Size	AECOM Calculations, Abberley Parish Council Neighbourhood plan 2017 Survey, ONS 2011 MHCLG 2014-based household projections, MHCLG 2011-based household projections	Homes in Abberley are mostly medium and large size (90%) which differs to the housing distribution of the District (76%). There is a growing demand for smaller and medium sized properties of 5 rooms/3 bedrooms and smaller in the NA.	It is clear from both the life stage modelling and the Abberley Parish Council Neighbourhood Plan 2017 Survey that smaller and more affordable homes are in highest demand. The final recommended housing split should be as follows:	
		In Abberley, families constitute 75.2% of households, while in the District they form 65.4%. One person households form a significantly smaller proportion of all households in the NA than the District (19.7% as against 29.7%). Meanwhile, there is a higher proportion of families without children in Abberley compared to the District (24.5% against 20.5%). Moreover, there are fewer one person householders aged 65 and over in the NA than the District (12.8% against 15.5%) and fewer one person households that are aged 65 and under in the NA (6.9% against 14.1%).	1 bedroom	20%
			2 bedrooms	45%
			3 bedrooms	30%
				4+ bedrooms
		However, the most dominant population group in Abberley are those aged 35 to 54, which forms 38% of the population in both the NA and the District. People in this category are the most likely to have dependent children. Households headed by older people also form a large majority of homes in the NA. 36% of homes in the NA are headed by those aged 65 and over, which is only 6% higher than the District proportion.		

Specialist housing	AECOM Calculations, Housing LIN (2011), 2014-based Sub-national population projections and Census 2011 (ONS),	<p>Abberley has no specialist housing for older people.</p> <p>Of Abberley's projected 2041 population, nearly 15% are estimated to be aged 75 and over, which equates to 141 people – and an increase of 76 since the last census.</p>	<p>The current provision of specialist accommodation is not sufficient to meet the needs of the projected elderly population, so Abberley should plan to deliver an additional 35 dwelling units over the Plan period.</p> <p>These specialist dwellings need not be thought of as all needing to be provided within the Neighbourhood Plan housing need figure - rather, there will be an unspecified degree of overlap between these dwellings and the target.</p> <p>These should be split into the following tenures to reflect national trends and imbalances in the current stock:</p> <table><tr><th colspan="3">Affordable Market</th></tr><tr><td>Adaptations, sheltered, or retirement living</td><td>8</td><td>17</td></tr><tr><td>Housing with care</td><td>4</td><td>6</td></tr></table>	Affordable Market			Adaptations, sheltered, or retirement living	8	17	Housing with care	4	6
Affordable Market												
Adaptations, sheltered, or retirement living	8	17										
Housing with care	4	6										

8.2 Recommendations for next steps

- This Neighbourhood Plan housing needs advice has aimed to provide Abberley with evidence on housing trends from a range of sources. We recommend that the Parish Council should, as a next step, discuss the contents and conclusions with MHDC with a view to agreeing and formulating draft housing policies, in particular the appropriate approach to identifying the level of need for new housing in the NP area, bearing the following in mind:
 - Neighbourhood planning Basic Condition A, that it has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the development plan;
 - the views of MHDC – in particular in relation to the housing need figure that should be adopted;
 - the views of local residents;
 - the views of other relevant local stakeholders, including housing developers; and
 - the numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by the MHDC, including but not limited to the SHLAA;
 - the recommendations and findings of this study; and
 - how recent changes to the planning system will continue to affect housing policies at a local authority and, by extension, a neighbourhood level.
- This advice note has been provided in good faith by AECOM consultants on the basis of housing data and national policy and guidance current at the time of writing (alongside other relevant and available information).
- Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the MHDC or any other relevant body and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

4. At the same time, monitoring on-going demographic or other trends over the period in which the Neighbourhood Plan is being developed (factors summarised in Table 1) would help ensure the continued relevance and credibility of its policies.

Appendix A : Calculation of Affordability Thresholds

A.1 Market Housing

A.1.1 Market Housing

5. To determine affordability in market housing, we consider two primary indicators, 'Income Thresholds' (IT), which denotes the maximum share of a family's income that should be spent on accommodation costs, and thirdly 'Purchase Thresholds' (PT), which denotes the standard household income requirement to access mortgage products.

Market sales

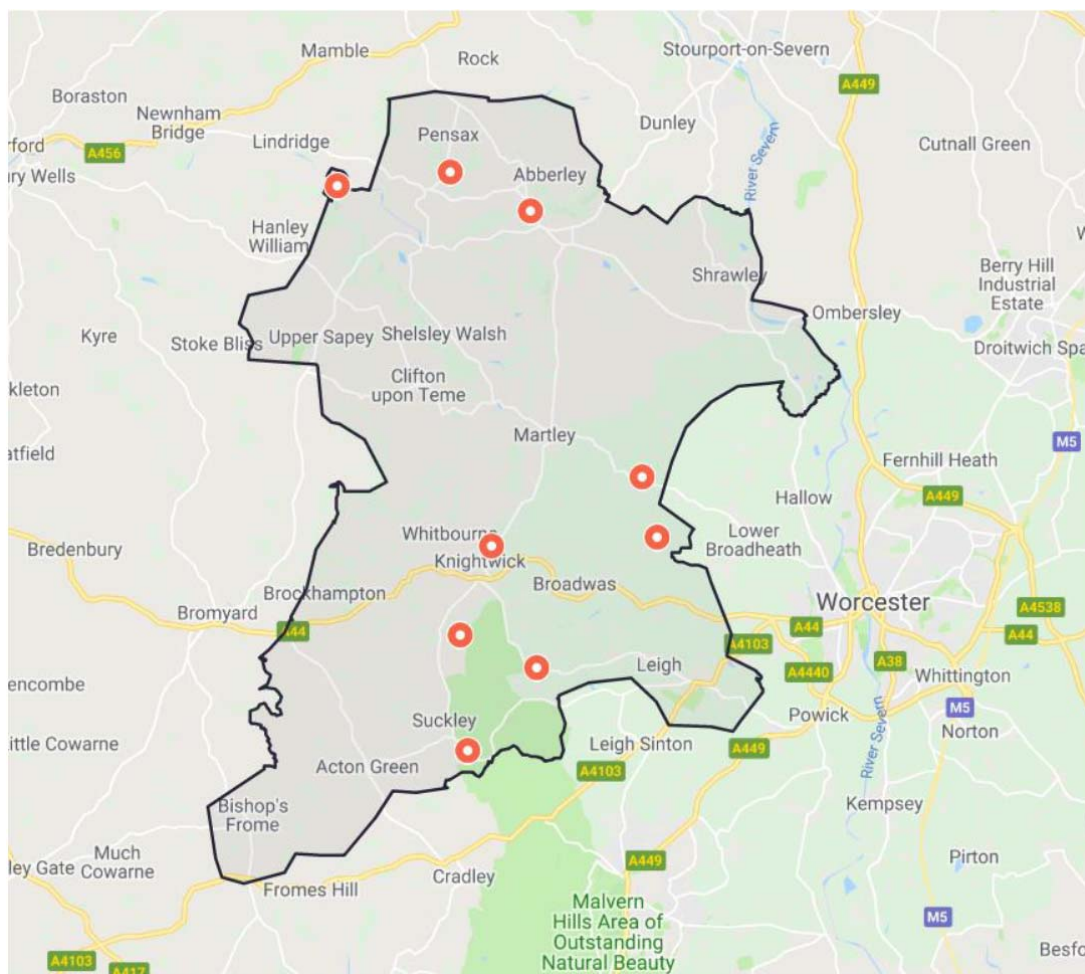
6. The PT examines affordability for sale market homes. In this sub-section, we consider two measures of housing price: the average (mean) house price, and the lower quartile (LQ) house price. The LQ house price is the price below which the cheapest 25% of houses may be bought and is a **measure of 'entry-level' property in the area** (cheaper, more Affordable Housing)²⁵. Nonetheless, an entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to conform with the Government guidance on overcrowding, such a home would require three habitable rooms (a flat or house with two bedrooms). **Entry-level properties can therefore also be understood as two-bedroom flats/houses.**
7. A search of properties available for sale was made on www.zoopla.co.uk and two 2 bed homes were on sale (2 houses, an additional two mobile homes were excluded from the search as this will skew the calculations), averaging to £207,250 which we use the average price for entry-level properties in the area. www.zoopla.co.uk also provides an estimate of current house prices in Abberley. According to the website, the average price for property in Abberley stood at £414,084 in February 2019. This is a fall of 1.23% in the last three months (since November 2018) and rise of 1.28% since 12 months ago.
8. The PT is calculated by discounting 10% of the house price to reflect a mortgage deposit. The resulting cost is then divided by 3.535.
9. The PT for the entry-level property price is $£207,250 \times 10\% = £20,725$; $£207,250 - £20,725 = £186,525$; Dividing this figure by 3.5 produces a threshold of £53,292. A single person would need to be earning £53,292 annually to afford an entry-level property.
10. The PT for the mean property price in September 2018 is $£414,084 \times 10\% = £41,408$; $£414,084 - £41,408 = £372,676$; Dividing this figure by 3.5 produces a threshold of £106,479. A single person would need to be earning £106,479 annually to afford a property around the average price.

Private rented sector (PRS)

11. The IT examines affordability for rent market homes. Again, we consider two measures of price: the average rent price and the LQ rent price. However, data is not available for long-term trends at the NA scale, making it impossible to calculate LQ rent price. Nonetheless, as we saw, an entry-level dwelling can also be understood as two-bedroom flats/houses. A search of properties available for private rent was made on www.rightmove.com, presented in Figure 8-2 below. There was 1 property available to rent in Abberley at the time of writing (February, 2019). This is too small a sample for the purpose of understanding the local rental market. Therefore, we have turned to Home.co.uk, which provides market rent summary for the wider postcode area, shown in Figure 9-1 below.

²⁵ Definition of 'entry-level' taken from <https://www.ons.gov.uk/visualisations/dvc393/affordabilitycalculator/content.html>

Figure 9-1: WR6 Rent Area



Source: <https://www.rightmove.co.uk>

12. We used WR6 as a proxy for market rent levels in Abberley and presented property rents by size in Table 9-2 below.

Table 9-2: Property Rents in WR6 by Number of Bedrooms

	No. of properties	Average rent (pcm)
One bedroom	1	£468
Two bedrooms	1	£695
Three bedrooms	13	£1,048
Four bedrooms	1	£950
Five bedrooms	0	-
Average property rents inWR6		£881

Source: <https://www.home.co.uk>

13. Finally, we have looked at rents in surrounding areas and the results were compiled in Table 9-3 below. It appears that the rental market in WR6 (including Abberley), is relatively expensive when compared to surrounding areas.

Table 9-3: Property rents in surrounding areas

	Average rent (pcm)
Average property rents in WR6	£881
Average property rents in Bewdley	£713
Average property rents in Droitwich	£657
Average property rents in Worcester	£857
Average property rents in Worcestershire	£776

Source: <https://www.home.co.uk>

14. We now determine the income needed to afford market rents. The IT is derived through the annualisation of the monthly rental cost. For the purpose of this exercise, affordability is defined as spending 25% of income on housing costs.
15. The average rent for WR6 used as a proxy for Abberley is £881 PCM. The annualisation of this figure is £11,268. The income threshold is therefore **£42,288**.
16. The average entry-level rent in Abberley is £695 PCM. The annualisation of this figure is £8,628. The income threshold is therefore **£33,360**.

A.2.1 Affordable Housing

17. We identified the various different tenures that constitute the new definition of Affordable Housing (AH) within the NPPF (2018 version): Social Rent and Affordable Rent, Starter Homes, Discounted market sales housing, and other affordable routes to home ownership.
18. This variety of AH tenures reflects an ambition by the Government to provide a pathway to home ownership to those who seek it, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide AH into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.
19. A good example is, in 2012, the introduction of dwellings for Affordable Rent, rent for this tenure is set at up to 80% of market rent, with intention that the additional income is used to help fund the development of new homes. Labelled an 'intermediate' product, this would be suitable for people with an income that precludes them from eligibility for the Social Rent dwellings (those dwellings where the rent is set in accordance with the Government's rent policy), but who cannot afford to access the private market.
20. The overall aim is to reduce the group who are eligible for Social Rent dwellings to those who have, relatively speaking, very low household incomes. However, within this segment, market principles also apply given the link between rents and size of dwelling, with a strong financial incentive for households to only occupy a dwelling deemed suited to their composition, based on an 'occupancy rating' formula set by the Government.

Social Rent

21. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual property values and average earnings in each area, maintaining substantial discounts to market rents. As such, it is suitable for the needs of those on low incomes, and is subject to strict eligibility criteria.
22. To determine Social Rent prices we have used the Statistical Data Return (SDR) from the Regulator of Social Housing (RSH). This data is only available at the District level, but operates as an acceptable proxy for Abberley given the shared demographic and employment characteristics identified in this study between the two geographies. SDR provides data about rents and the size and type of stock owned and managed by Private Registered Providers (PRPs) and is presented in Table 9-4 below. Using this data, we have also calculated what the annual rent and income needed will be for each home.

Table 9-4: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All Stock Sizes ²⁶
Average Net rent per week	£74.17	£90.80	£101.45	£117.18	£92.87
Average social rent rate per week	£73.97	£89.89	£101.09	£114.08	£92.23
Annual rent	£3,867	£4,735	£5,290	£6,110	£4,843
Income needed	£11,602	£14,204	£15,870	£18,330	£14,528

Source: SDR, AECOM Calculations

Affordable Rent

23. Commentators have repeatedly raised concerns about Affordable Rent not constituting a realistic form of AH given that in many areas this reduces rent to levels that are still beyond the means of the target group: those on incomes substantially below the mean.
24. To determine Affordable Rent prices we can also use the SDR from the RSH. The data is presented in Table 9-5 below.

Table 8-5: Affordable Rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All Stock Sizes
Average weekly Gross rent	£86.80	£109.00	£122.28	£138.88	£112.85
Annual rent	£4,526	£5,684	£6,376	£7,242	£5,884
Income needed	£18,104	£22,734	£25,504	£28,966	£23,537

Source: SDR, AECOM Calculations

Intermediate Tenures

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

Starter Homes

26. Housing and Planning Act 2016 (HPA) includes provisions to introduce a general duty on planning authorities in England to promote the supply of 'Starter Homes,' and a specific duty to require a minimum number or proportion of 'Starter Homes' on certain residential development sites. In paragraph 64 of the NPPF 2019, the Government introduces a recommendation that "where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership".
27. This is a fulfilment of the direction of travel set in the Housing White Paper. It states that, "in keeping with our approach to deliver a range of affordable homes to buy, rather than a mandatory requirement for 'Starter Homes,' we intend to amend the NPPF to introduce a clear policy expectation that housing sites deliver a minimum of 10% affordable home ownership dwellings. It will be for local areas to work with developers to agree an appropriate level of delivery of 'Starter Homes', alongside other affordable home ownership and rented tenures".
28. This is a substantial watering-down of the 'Starter Home' requirement as envisaged when policy contained in the Housing and Planning Act was first conceived. In effect, it leaves it to local groups, including neighbourhood plans, to decide an appropriate level of affordable home ownership products, while taking note of the 10% policy expectation.
29. A Starter Home is a new build home with a value not exceeding £250,000 outside London and £450,000 inside the city; they are eligible for first time buyers aged under 40.
30. The decision whether to treat Discounted Market Sale Homes (DMSH) as AH should be determined by whether lowering the asking price of new build homes of a size and type suitable to first time buyers by 20% would bring them within reach of people currently unable to access Affordable Market Housing for purchase.
31. So as to provide a conservative assessment of suitability of DMSH, we propose to use the value we have estimated for an entry-level dwelling of £207,250.
32. Applying a discount of 20% arrives at the approximate selling price of £165,000. Allowing for a 10% deposit further reduces the value of the property to £149,220. The PT at a multiple of 3.5 is **£42,634**.

²⁶ Weighted average

Shared Ownership

33. As we have seen, there is only one shared ownership dwelling in Abberley (at the time of the last Census). Nevertheless, it is worth considering its future role.
34. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned. In exceptional circumstances (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 both first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose household income does not exceed £60,000.
35. To determine the affordability of shared ownership, calculations are based on the entry-level house price in Abberley (£207,250). The amount of the deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, the standard loan to value ratio of 3.5 is used to calculate the income required to obtain a mortgage. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 25% of the income on rent (as for the IT for PRS).
36. A 25% equity share of £207,250 is £51,813, from which a 10% deposit of £5,181 is netted off. The mortgage value of £46,631 (£51,813 minus £5,181) is then divided by 3.5. To secure a mortgage of £46,631, an annual income of £13,323 (£46,631/ 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 75% shared ownership equity, the unsold value of £155,438. An ongoing annual rent equivalent to 2.75% of the value of the unsold equity is assumed, which is £4,275 and requires an income of £17,098. Therefore, an income of around **£30,421** (£13,323 + £17,098) is required to afford a 25% shared equity purchase of an entry-level house with annual rent.
37. The same calculation is reiterated for different initial share and the results are presented in Table 9-6 below:

Table 9-6: Affordability calculator for shared ownership

Purchase price:	£207,250	Minimum income needed	Mortgage	Income needed for mortgage	Annual Rent	Income needed for rent	Deposit required
Initial share	25%	£30,421	£46,631	£13,323	£4,275	£17,098	£5,181
	35%	£33,471	£65,284	£18,653	£3,705	£14,818	£7,254
	40%	£34,996	£74,610	£21,317	£3,420	£13,679	£8,290
	50%	£38,045	£93,263	£26,646	£2,850	£11,399	£10,363
	60%	£41,095	£111,915	£31,976	£2,280	£9,119	£12,435
	75%	£45,669	£139,894	£39,970	£1,425	£5,699	£15,544

Source: AECOM Calculations

38. To determine affordability in market housing, we consider two primary indicators, 'Income Thresholds' (IT), which denotes the maximum share of a family's income that should be spent on accommodation costs, and thirdly 'Purchase Thresholds' (PT), which denotes the standard household income requirement to access mortgage products.

Appendix B : Housing Needs Assessment Glossary

Adoption

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 house 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)

National Planning Policy Framework Annex 2: Glossary, Affordable Housing

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime** but is subject to other rent controls that require a rent of no more than 80% of the local market rent (Including service charges, where applicable)*** ** The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). *** Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods. The Tenant Services Authority has issued an explanatory note on these at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

Annual Monitoring Report

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

Basic Conditions

The basic conditions are the legal tests that are made at the examination stage of neighbourhood plans. They need to be met before a plan can progress to referendum.

Backlog need

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

Bedroom Standard²⁷

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.

²⁷ <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 principle forms of community-led models include cooperatives, co-housing communities, self-help housing, community self-build housing, collective custom-build housing, and community land trusts. By bringing forward development which is owned by the community, the community is able to set rents and/or mortgage payments at a rate that it feels is appropriate. The Government has a range of support programmes for people interested in bringing forward community led housing.

Community Right to Build Order²⁸

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)²⁹

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

Equity Loans/Shared Equity

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

Extra Care Housing³⁰

New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming more frail and less able to do everything for themselves. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very or enhanced sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. In addition to the communal facilities often found in sheltered housing (residents' lounge, guest suite, laundry), Extra Care often includes a restaurant or dining room, health & fitness facilities, hobby rooms and even computer rooms. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, owned or part owned/part rented. There is a limited (though increasing) amount of Extra Care Housing in most areas and most providers set eligibility criteria which prospective residents have to meet.

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.

²⁸ <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²⁹ http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

³⁰ <http://www.housingcare.org/jargon-extra-care-housing.aspx>

Habitable Rooms

The number of habitable rooms in a home is the total number of rooms, less 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, such as Starter Homes, the Government's flagship 'housing product'.

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 a number of households, 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, including 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 2001-2011

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 at 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 the parish level so District level data is employed on the basis of the NA falling within a 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 and the Greater London Authority, to the extent appropriate to their responsibilities.

Local Plan

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, which under the regulations would be considered to be development plan documents, form part of the Local Plan. The term includes old policies which have been saved under the 2004 Act.

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 sum of all values divided by the number of values. 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 years³¹, 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 the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

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

An output area is the lowest level of geography for publishing statistics, and is the core geography from which statistics for other geographies are built. Output areas were created for England and Wales from the 2001 Census data, by grouping a number of households and populations together so that each output area's population is roughly the same. 175,434 output areas were created from the 2001 Census data, each containing a minimum of 100 persons with an average of 300 persons. Lower Super Output Areas consist of higher geographies of between 1,000-1,500 persons (made up of a number

³¹ <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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 one agreed definition of overcrowding, however, utilising the Government's bedroom standard, overcrowding is deemed to be in households where there is more than one person in the household per room (excluding kitchens, bathrooms, halls and storage areas). As such, a home with one bedroom and one living room and one kitchen would be deemed overcrowded if three adults were living there.

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing³²

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

³² <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) is a document prepared by one or more local planning authorities to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period. SHLAAs are sometimes also called LAA (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 SMAs 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 SMAs are combined with Economic Development Needs Assessments to create documents known as HEDNAs (Housing and Economic Development Needs Assessments).

Specialist Housing for the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.) for which guideline target rents 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.³³

³³ <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

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