

# Ashby de la Zouch

## Housing Needs Assessment (HNA)

July 2023

## Quality information

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## Revision History

<b>Revision</b>	<b>Date</b>	<b>Authorized</b>	<b>Position</b>
1. First Draft	March 2023	Omar Ezzet	Consultant
2. Internal Review	March 2023	Paul Avery	Principal Housing Consultant
3. Group Review	June 2023	Melanie Mitchell	Deputy Town Clerk
4. Locality Review	July 2023	Annabel Osborne	Neighbourhood Planning Officer
5. Final Report	July 2023	Olivia Carr	Housing Consultant

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

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

# Executive Summary

1. Ashby de la Zouch is a Neighbourhood Area (NA) located in the North West Leicestershire district of Leicestershire, England. The NA boundary corresponds to the Ashby de la Zouch civil parish excluding the settlement of Blackfordby and was designated in 2014.
2. The 2021 Census recorded 15,120 individuals in the Ashby de la Zouch Neighbourhood Area, indicating an increase of 2,590 people or a 21% growth since the 2011 Census.
3. There has been significant development in Ashby in recent years. North West Leicestershire District Council (NWLDC) has provided data showing that 1,530 new homes have been built since 2011 and a further 94 were under construction at time of writing. In terms of Affordable Housing, the Council's data (available for the period 2015-2021/22) shows that around 217 Affordable Homes have been delivered, equating to a delivery rate of around 18% on average.
4. The 2021 Census gives the total number of dwellings in the NA as 6,532. NWLDC data records 12 completions in 2022 and 94 homes under construction. Therefore total dwellings are estimated to be 6,638. As of January 2023, outstanding commitments (dwellings on sites with planning permission) total 675 homes.
5. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Ashby de la Zouch Neighbourhood Plan Steering Group at the outset of the research.
6. Data from the 2021 Census is being released throughout 2023. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections where necessary to build up evidence at the neighbourhood level. The figures for Affordable Housing and Specialist Housing for Older People are based on models using current data and assumptions, but any final housing quantity or mix has to reflect a balance (i.e. not all specialist older people housing and/or affordable). Also, it is not unusual for need figures for specific groups to be proportionally high in relation to the overall assessed need.

## Conclusions – Tenure and Affordability

### Current tenure profile

7. Ashby has a slightly lower rate of home ownership compared to the wider district, though both the NA and district have higher rates of owner occupation compared to the national average. Social and private rents make up a similar proportion of tenures in Ashby and the district, both being substantially lower than the average for England. Shared ownership tenures are more prevalent in Ashby than in the wider geographies. The higher owner occupation combined with fewer social and private rents could adversely impact affordability in the parish.
8. The intercensal data shows an increase in shared ownership tenures in the parish with the category growing by 51% (though actual numbers remain quite small). The next biggest growth is observed in the private rented sector which grew 45% in the same period. Owner occupation grew by 24% while the social rented sector grew by a comparatively more modest 17%.

### Affordability

9. House prices have consistently risen over the past decade with the average property price (currently £330,559) rising 58% in value. The entry level (lower quartile) house price grew from £137,000 in 2013 to £197,500 in 2022; a growth of 68%. The median house price rose by 52% in the same period (currently £297,000). Data suggests that property values in Ashby attract a 16-17% premium over prices in the wider district.

### The need for Affordable Housing

10. Due to the Leicester & Leicestershire Housing & Economic Needs Assessment (HENA) being relatively recent (2022), the starting point for estimating the need for Affordable Housing in Ashby is to pro-rate the district level estimates outlined in the report. This suggests that Ashby requires around 34 units of affordable rented dwellings per annum (612 over the Plan period) and 21 units of affordable ownership homes per annum (378 over Plan period).
11. AECOM also used locally specific data at the group's request to estimate Ashby's Affordable Housing need through two calculations which produce a total estimated need of approximately 22 affordable rented dwellings over the NP period (2022-2040) (or 1.2 per annum) and 603 affordable ownership dwellings over the NP period (or 33.5 per annum).
12. There is a clear difference between these figures, especially when looking at the need for affordable rented housing. AECOM's calculations use the most localised data available (including the NA stock of social rented housing and the Housing Register for Ashby) and is focussed specifically on the needs of the current and projected population of Ashby. The turnover in stock of affordable rented housing (3%) means that, to an extent, households' needs are met through turnover in existing affordable rented housing, although it cannot be assumed that this would always be the correct size for households on the waiting list. Whilst it is possible to 'spread out' the need in this way across the quite lengthy plan period (to 2040), this is not favourable to households and the delivery of some affordable rented

housing at the beginning of the plan period would help to start to meet the backlog of need (120 households on the Housing Register).

13. The other factor to consider is that as a Key Service Centre, Ashby is one of the key settlements in the district, accounting for 14.4% of NWL's population according to the 2021 Census. Therefore, it is likely that Ashby is expected to meet some of the wider district's needs for Affordable Housing, with it having a greater proportion of households in 2021 living in social rented housing than the district as a whole. Therefore, although the local need for affordable rented housing is relatively low for Ashby based on AECOM's calculations, as the HENA shows, if taking its 'share' of the district's needs, the provision of this tenure in Ashby over the plan period may need to be higher. It is recommended that further discussions are undertaken with North West Leicestershire District Council to fully understand Ashby's role in the district's Affordable Housing delivery.
14. It should be noted that in both the estimated need for affordable rented housing and the estimated demand for affordable home ownership, there is no requirement that this is met during the plan period, or within the NA, it is rather an expression of the potential need/demand of local people.

### **Affordable Housing policy**

15. NWL's adopted policy on this subject, H4, requires 30% of all new development on schemes of 11 or more dwellings (or 1000 m<sup>2</sup> and over in area) to be affordable. On brownfield sites the requirement is 15% AH on schemes of 20 or more dwellings (or 1ha and over in area).
16. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures, such as the balance between rented tenures and routes to home ownership, is left as a matter to be informed by the latest evidence.
17. On the basis of the considerations delineated in this report, an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy is suggested for Ashby. This is chiefly a response to the expectation that the delivery of Affordable Housing will be close to the assessed need once the strategic allocations in the NWLDC are built out. This HNA suggests that 50% of Affordable Housing in future developments is allocated for affordable homes ownership, the first 25% being First Homes (suggested at a 30% discount) and the remainder split between shared ownership and Rent to Buy. The remaining 50% is recommended to be for affordable/ social rents, in a split determined by the Local Authority and Registered Provider.

## **Conclusions - Type and Size**

### **The current housing mix**

18. Ashby's dwelling stock is characterised by larger detached and semi-detached homes (75% of stock). Recent completions have skewed the balance further toward larger detached homes.
19. Ashby's housing stock is dominated by 3 bedroom homes (39%) followed by larger 4 bedroom plus homes (34%). Smaller homes (1-2 bedrooms) form about 27% of the total.

The 2021 stock distribution is somewhat less balanced than that in 2011, showing growth in larger homes (grew from 25% to 34% in the intercensal period) and proportional declines across smaller dwelling sizes. This trend towards larger homes confirms the observations reported by the NP Steering Group and is likely to worsen affordability issues identified in the NA.

### **Population characteristics**

20. Currently, the population profile slightly favours the under 45 age groups with more residents aged 0-44 (52%) than 45 and over (48%). However the change in the population's age profile between the 2011 and 2021 Censuses shows that the 65-84 age group grew markedly (46%) in the intercensal period whilst the remaining groups grew at slower rates (14-19%). In terms of the overall trend the older age groups are growing at faster rates than the younger age groups. This will potentially impact future housing need in Ashby in terms of size and type of dwellings required: smaller, more adaptable dwellings suited to older persons' needs are likely to be helpful in meeting some of this demand in future.

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

21. The results of the life-stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those age groups over the Plan period in order to understand what should be built, suggests that new development might benefit from a strong focus on medium (3 bedroom) and smaller dwellings (2 bedroom). There is limited further need for the smallest 1 bedroom dwellings and larger (4 bedroom plus) homes over the NP period.
22. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

## **Conclusions- Specialist Housing for Older People**

23. Ashby's stock of specialist accommodation for older people currently comprises 365 units of specialist accommodation, the majority (83%) of which are available for social rent for those in financial need, with the remainder being offered for leasehold market purchase including some shared ownership tenures.
24. There are currently around 1,432 individuals aged 75 or over in Ashby (9.5% of the population). This suggests that current provision is in the region of 255 units per 1,000 of the 75+ population (a common measure of specialist housing supply).
25. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
26. These two methods of estimating the future need in Ashby produce a range of 281 to 426



specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

27. The majority of the need (72%) is for specialist market housing. More need is identified for sheltered housing at 54% than extra-care housing (46%). However, extra-care may need to form a higher share given the present lack of this form of accommodation in Ashby. The greatest sub-category of need was identified for market sheltered housing at 43% of the total. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
28. It is likely that residential development on the H3a strategic site (Land north of Ashby de la Zouch) allocated in the NWLLP for 2,050 dwellings will yield some additional specialist housing.
29. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing.
30. Applying the HLIN SHOP toolkit rates for residential/ nursing homes for older people (75+) using the rate of 65 residential care beds per 1000 people aged 75+ gives an estimated need of 73 care homes beds in the NA, 29 below current provision. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.
31. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the new Local Plan with NWLDC.

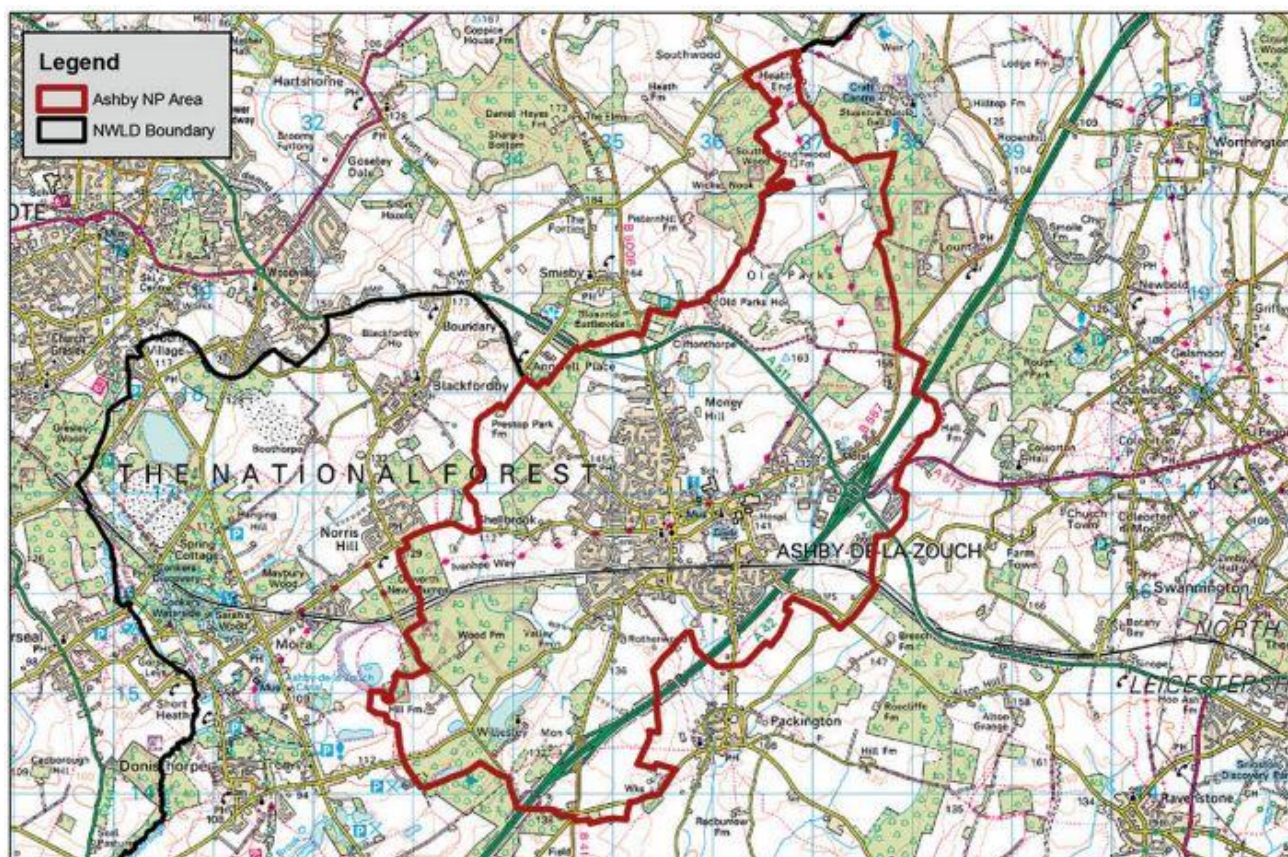
# Context

## Local context

32. Ashby de la Zouch is a Neighbourhood Area located in the North West Leicestershire district of Leicestershire, England. The NA boundary corresponds to the Ashby de la Zouch civil parish excluding the settlement of Blackfordby and was designated in 2014.
33. The Neighbourhood Plan is envisaged to start in 2022 and extend to 2040, therefore covering a period of 18 years. The evidence supplied in this report will look forward to the Plan end date of 2040, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
34. Ashby de la Zouch (shortened to Ashby hereinafter), is a market town in the North West Leicestershire District of Leicestershire, near the Derbyshire and Staffordshire borders. The civil parish includes the hamlets of Shellbrook to the west and Boundary to the north-west. Swadlincote, Burton upon Trent, Melbourne and Coalville are within 16 km, with Derby 19km to the north. Ashby lies at the heart of The National Forest, about 39 km south of the Peak District National Park, on the A42 between Tamworth and Nottingham.
35. Two bypasses intercept the parish, associated with the A42 which crosses the southern part of the parish and the A511 which runs northwest to south east of the parish. The nearest railway station is Burton-on-Trent 13 km away. There are fast train connections to London in the mornings and evenings from Tamworth (19 km away). Bus routes provide an hourly direct service to Burton-upon-Trent, Coalville, East Midlands Airport, Leicester and Swadlincote. East Midlands Airport is 14 km north-east of Ashby and Birmingham Airport is 42 km away.
36. The neighbourhood area excludes Blackfordby (which is part of the Ashby de la Zouch civil parish) as Blackfordby is a distinct settlement in its own right with its own planning and development requirements.

## The NA boundary and key statistics

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

**Figure 2-1: Map of the Ashby de la Zouch Neighbourhood Area**

Source: [Ashby de la Zouch Neighbourhood Plan 2011-2031](#)

38. At the time of the 2011 Census the NA was home to 12,530 residents, formed into 5,250 households and occupying 5,422 dwellings. The 2021 Census indicates population growth of around 2,590 individuals (or 21%) since 2011<sup>1</sup>, recording a total of 15,120 residents and 6,531 households. The average household size fell slightly from 2.39 in 2011 to 2.32 in 2021.
39. The most recent Valuation Office Agency (VOA) data shows there were 6,750 homes in the NA indicating around 1,328 new homes (completions) since the 2011 Census. The increase in homes is broadly in line with the population change mentioned.

## The housing market area context

40. Whilst this HNA focuses on Ashby NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
41. In the case of Ashby, the NA sits within a housing market area which covers Leicester and the Leicestershire authorities of Blaby, Charnwood, Harborough, Hinckley and Bosworth,

<sup>1</sup> It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.

Melton, North West Leicestershire and Oadby and Wigston<sup>2</sup>. This means that when households who live in these authorities move home, the vast majority move within this geography. There are also has interrelationships between the HMA and other areas such as South Derbyshire, Rushcliffe in Nottinghamshire and Nuneaton and Bedworth in Warwickshire<sup>3</sup>.

42. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Ashby, are closely linked to other areas. In the case of Ashby, changes in need or demand in settlements nearby are likely to impact on the neighbourhood.
43. In summary, Ashby functions within a wider strategic area. As well as fostering good working relationships with the local planning authority North West Leicestershire District Council (NWLDC) it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

## Planning policy context

44. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.<sup>4</sup> In the case of Ashby, the relevant adopted Local Plan consists of:
45. The North West Leicestershire Local Plan 2011-2031 (as amended by the Partial Review)<sup>5</sup> (NWLLP), adopted in March 2021. A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. The most important points are summarised below:
  - Policy S2 identifies Ashby as a Key Service Centre playing an important role in providing services and facilities to the surrounding areas, where significant development will take place.
  - Policy H1 allocates the following sites (with extant planning permissions) for residential development within Ashby: Holywell Mill (44 dwellings) and Land North of Ashby de la Zouch (605 dwellings)
  - Policy H3 allocates a new strategic site in Ashby: Land North of Ashby de la Zouch for up to 2,050 dwellings (including the 605 already permitted) .
  - Policy H4 sets the level of Affordable Housing contributions at 30% on greenfield sites of 11 or more units (or 1000m<sup>2</sup> plus in area). On brownfield land the requirement is for 15% on developments of 20 or more units (or 1ha plus in area).

<sup>2</sup> Source: [Leicester & Leicestershire Housing & Economic Needs Assessment final report \(2022\)](#)

<sup>3</sup> Ibid.

<sup>4</sup> A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

<sup>5</sup> The Local Plan was first adopted in 2017 and subsequently underwent a partial review in 2020. The partially reviewed Local Plan was subsequently adopted in March 2021.



- Policy H4 policy supports the provision of 'affordable homes to meet the needs of elderly people.

46. The Council is carrying out a substantive review of the NWLLP which will eventually result in a new Local Plan. This is currently at the options consultation stage<sup>6</sup>. The consultation document indicates that Ashby will retain the Key service Centre classification and considers four different options of overall growth for the district ranging from low to high (368 to 730 dwellings per annum respectively).

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<sup>6</sup> Source: [https://www.nwleics.gov.uk/pages/local\\_plan\\_review\\_progress\\_so\\_far](https://www.nwleics.gov.uk/pages/local_plan_review_progress_so_far)

# Objectives and approach

## Objectives

47. This Housing Needs Assessment is structured according to a number of themes or topics that were agreed at the outset of the research with the Ashby de la Zouch Neighbourhood Plan Steering Group. These themes are broadly aligned with the kinds of housing policy areas available to neighbourhood plans, and each will form a distinct chapter of this report. The sub-sections below give a brief overview of the objectives of each chapter.

## Affordability and Affordable Housing

48. Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

49. This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

50. The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must be in general conformity with these strategic policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

## Type and Size

51. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.

52. The focus of this chapter is to identify relevant trends and potential gaps in the market that can be used to justify planning policies. It has three aims, each given its own sub-section:

- To establish what **mix** of housing exists in the NA at present;
- To describe relevant characteristics of the local **population**; and
- To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.

53. In addition to the direction of travel revealed by statistics, a variety of reasons sit behind

people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

## Specialist Housing for Older People

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

## Approach

57. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:
- ONS population and household projections for future years;
  - ONS population age estimates for parishes (as 2021 Census data does not yet include age profile at small scales);
  - North West Leicestershire District Council's housing data for Ashby.
  - Valuation Office Agency (VOA) data on the current stock of housing;
  - Land Registry data on prices paid for housing within the local market;
  - Rental prices from [Home.co.uk](https://www.home.co.uk)
  - Local Authority housing waiting list data; and
  - Leicester & Leicestershire Housing & Economic Needs Assessment (2022) (HENA)
58. Data from the 2021 Census continues to be released throughout 2023. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.
59. The adopted Local Plan allocates the following sites for housing development within Ashby:
- 44 dwellings at site H1a (Hollywell Mill) (10 units completed)
  - 2,050 dwellings on Land north of Ashby de las Zouch (sites H3a/H1b). This includes the Money Hill site which has an extant planning permission for 605 dwellings and the former Arla Dairy site (2 units completed and 44 under construction on this site).
60. The above allocations indicate a total growth of 2,094 dwellings for Ashby. North West Leicestershire District Council's (NWLDC) housing data indicates that 1,530 net new dwellings have been delivered in the Ashby since 2011/12 with a further 94 under construction (in 2023). This equates to a provision of 1,624 new dwellings since 2011/12. Once current commitments (675 as of 31 Dec. 2022) are completed an overall growth of 2,299 dwellings would be expected.
61. Therefore, when dwellings currently under construction and commitments are built out Ashby would be expected to exceed the growth target allocated in the NWLLP by around 200 dwellings.
62. In terms of Affordable Housing delivery; NWLDC's data (available for the period 2015-2021/22) shows that around 217 Affordable Homes have been delivered, equating to a delivery rate of around 18% on average. The Council's housing register indicates there



are currently 120 households on the register (51 currently live in Ashby). Of those 67 expressed an interest in shared ownership homes (28 of whom live in Ashby).

# Affordability and Affordable Housing

## Introduction

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

## Definitions

66. This section uses a range of technical terms which are useful to define at the outset:
- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
  - **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
  - The definition of **Affordable Housing** is set out in the NPPF 2021 (Annex 2) as 'Housing for sale or rent, for those whose needs are not met by the market...' We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
  - A range of affordable home ownership opportunities are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. As part of this, the Government has introduced a new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.<sup>7</sup>

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<sup>7</sup> The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

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

## Current tenure profile

67. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
68. Table 4-1 presents data on tenure in Ashby compared with NWL and England from the 2021 Census. The data shows that Ashby has a slightly lower rate of home ownership compared to the wider district, though both have higher rates of owner occupation compared to the national average. Social and private rents make up a similar proportion of tenures in Ashby and the district, both being substantially lower than the average for England. Share ownership tenures are more prevalent in Ashby than the wider geographies albeit they make up a relatively small proportion of the total. The higher owner occupation combined with fewer social and private rental options could adversely impact affordability in the parish.

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

Tenure	Ashby	NWL	England
Owned	70.4%	71.8%	61.3%
Shared ownership	1.8%	1.1%	1.0%
Social rented	14.2%	13.5%	17.1%
Private rented	13.6%	13.6%	20.6%

Sources: Census 2021, AECOM Calculations

69. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). The intercensal data shows an increase in shared ownership tenures in the parish with the category growing by 51% (though actual numbers remain quite small). The next biggest growth is observed in the private rented sector which grew 45% in the same period. Owner occupation grew by 24% while the social rented sector grew by a comparatively more modest 17%.

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

Tenure	2011	2021	% change
Owned	3716	4,601	23.8%
Shared ownership	76	115	51.3%
Social rented	792	927	17.0%
Private rented	611	888	45.3%

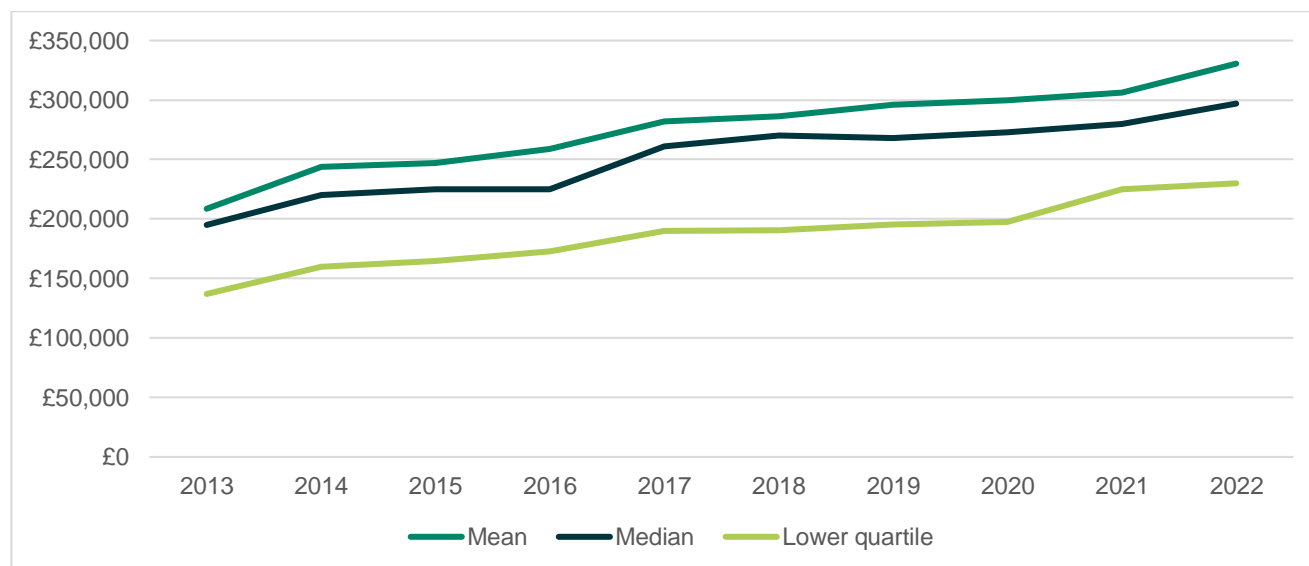
Sources: Census 2021 and 2011, AECOM Calculations

# Affordability

## House prices

70. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
71. Figure 4-1 looks at the average and lower quartile house prices in Ashby based on sales price data published by the Land Registry. It shows that prices have consistently risen over the past decade with the average property price (currently £330,559) rising 58% in value. The entry level (lower quartile) house price grew from £137,000 in 2013 to £197,500 in 2022; a growth of 68%. The median<sup>8</sup> house price rose by 52% in the same period (currently £297,000).
72. Property values in Ashby are generally 16-17% higher than the district averages across the three categories (mean, median and entry level). This suggests that property values in the NA attract a premium over prices in the wider district.

**Figure 4-1: House prices by quartile in Ashby, 2013-2022**



Source: Land Registry PPD

73. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows an overall increase of 52% in the value of homes in Ashby over the decade. Detached properties experienced the highest rate of growth at 65%, followed by semi-

<sup>8</sup> The median is the middle number when the data is sorted from smallest to largest. Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median. The lower quartile is the middle figure of the lowest 50% of prices and a good representation of entry-level housing.

detached properties (58%). Flats and terraced homes increased by around 50%.

**Table 4-3: Median house prices by type in Ashby, 2013-2022**

Type	2013	2013	2014	2015	2016	2017	2018	2019	2020	2022	Growth
Detached	£250,000	£284,995	£299,998	£320,000	£327,000	£341,500	£363,940	£355,000	£350,000	£412,500	65.0%
Semi-detached	£161,000	£189,995	£188,995	£184,500	£211,500	£216,000	£215,000	£212,475	£249,995	£254,000	57.8%
Terraced	£152,000	£149,950	£159,975	£150,000	£182,200	£184,125	£187,481	£200,000	£211,750	£227,500	49.7%
Flats	£114,498	£110,300	£132,500	£200,405	£150,000	£140,000	£128,250	£155,000	£138,500	£172,500	50.7%
<b>All Types</b>	£194,995	£220,000	£225,000	£224,750	£260,995	£269,998	£267,950	£272,700	£280,000	£297,000	52.3%

Source: Land Registry PPD

## Income

74. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
75. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £51,600 in 2018 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.
76. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. NWL's gross individual lower quartile annual earnings were £14,479 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £28,958.
77. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

## Affordability Thresholds

78. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
79. AECOM has determined thresholds for the income required in Ashby to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
80. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the

maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.

81. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £51,600	Affordable on LQ earnings (single earner)? £14,479	Affordable on LQ earnings (2 earners)? £28,958
<b>Market Housing</b>						
Median House Price	£267,300	-	£76,371	No	No	No
Estimated NA New Build Entry-Level House Price	£226,414		£64,690	No	No	No
LQ/Entry-level House Price	£207,000	-	£59,143	No	No	No
LA New Build Median House Price	£287,996	-	£82,284	No	No	No
Average Market Rent	-	£10,272	£34,240	Yes	No	No
Entry-level Market Rent	-	£8,796	£29,320	Yes	No	Yes
<b>Affordable Home Ownership</b>						
First Homes (-30%)	£158,490	-	£45,283	Yes	No	No
First Homes (-40%)	£135,848	-	£38,814	Yes	No	No
First Homes (-50%)	£113,207	-	£32,345	Yes	No	No
Shared Ownership (50%)	£113,207	£3,145	£42,827	Yes	No	No
Shared Ownership (25%)	£56,603	£4,717	£31,896	Yes	No	No
Shared Ownership (10%)	£22,641	£5,660	£25,337	Yes	No	Yes
<b>Affordable Rented Housing</b>						
Affordable Rent	-	£5,106	£17,004	Yes	No	Yes
Social Rent	-	£4,816	£16,038	Yes	No	Yes

Source: AECOM Calculations

82. Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give an indication of the costs of various tenures to inform Neighbourhood Plan policy choices. These figures rely on existing data and assumptions, and it is not possible to estimate every possible permutation. The income figures also disguise a large degree of variation. For simplicity the analysis below speaks in terms of tenure products being 'affordable' or 'not affordable' for different groups,

but individual circumstances and the location, condition and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

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

83. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to afford even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 48% higher than the current average. The NA new build entry-level house price represents around a 10% premium over an entry level home in the existing stock.
84. Private renting is generally only affordable to average earners. Households made up of two lower quartile earners can marginally afford entry-level market rents. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

### **Affordable home ownership**

85. There is a relatively large group of households in Ashby who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £29,320 per year (at which point entry-level rents become affordable) and £59,143 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
86. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
87. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It is recommended that in Ashby First Homes are delivered at a 30% discount as this makes the product affordable to households on mean incomes. Increasing the discount further does not make the product accessible to further groups and may cause challenges with viability and the delivery of other Affordable Housing tenures.
88. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the NP Steering Group intend to set a higher First Homes discount level than that set at district

level, further discussions with the LPA are advised.

89. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.<sup>9</sup> If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
90. Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership quite significantly, including to dual LQ earning income groups. However, discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, more affordable than First Homes (at 30-40% discount levels) but less affordable than Shared Ownership (at 25%). However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.
91. These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:
  - First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
  - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
  - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
  - Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

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<sup>9</sup> The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hws48>.



## **Affordable rented housing**

92. Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market levels. This appears to be the case in Ashby where affordable rents are typically around 50% of average market rents
93. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.
94. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Ashby as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

## Estimates of the need for Affordable Housing

95. This section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.
96. The Leicester and Leicestershire Housing and Economic Needs Assessment (HENA) was undertaken for the Leicester and Leicestershire Local Planning Authorities in 2022. This study estimates the need for affordable housing in the HMA using a range of recent data modelled from local information in line with current Planning Practice Guidance.
97. The HENA identifies the need for 236 additional affordable rented homes and 146 affordable home ownership dwellings each year in NWL as a whole.
98. If the HENA figures are pro-rated to Ashby NA based on its fair share of the population - 14.4% of the district's population (Census 2021) - this equates to 34 affordable rented homes per annum (612 over the NP period 2022-2040) and 21 affordable ownership homes per annum or (378 over the NP period).
99. Although this is a reasonable method to calculate Affordable Housing need for NAs, the neighbourhood planning group requested an additional locally specific method to calculating Ashby's Affordable Housing need as the HENA covers a large area. Therefore, AECOM have calculated Ashby's needs through two calculations that use locally specific data as far as possible. The first estimates the need for affordable rented housing and the second considers the potential demand for affordable home ownership tenures. These estimates are presented and discussed in turn below.

### AECOM calculations - affordable rented housing

100. The starting point for assessing the need for affordable rented housing is the number of households currently applying for Affordable Housing on the North West Leicestershire Housing Register. NWLDC have advised that there are 120 applicants seeking affordable housing in Ashby.
101. Table 4-5 below estimates the need for Affordable Housing for rent in Ashby per year of the Plan period. It should be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out below are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
102. The result of this calculation is a shortfall of 1.2 units per year (22 over the Plan period). The calculation assumes that roughly 3% of the occupants of Ashby's social rented stock will vacate their property in any given year, as they move to a new location, pass away or cease to become eligible as their income rises. The 3% of stock equates to approximately 28 units. We estimate that around 22.4 households will fall into need per annum, in addition to 6.7 units required to satisfy

current need (which is spread across the Plan period in order to give an annualised figure). So a combined 29 households need housing per year, while 27.8 units might be expected to come vacant in the same year, leaving a shortfall of 1.2 per year or 22 units over the Plan period.

**Table 4-5 Estimate of need for Affordable Housing for rent in Ashby**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current households in need	120.0	Latest waiting list data from NWLDC
1.2 Per annum	<b>6.7</b>	Step 1.1 divided by the plan period 2022-2040
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	1663.4	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to parish
2.2 Proportion of new households unable to rent in the market	24.2%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1 Current number of social renters in NA	927.0	2021 Census number of social renters
2.2.2 Number of private renters on housing benefits	457.2	Housing benefit caseload March 2021. Pro rata for NA.
2.3 New households unable to rent	402.3	Step 2.1 x Step 2.2
2.4 Per annum	<b>22.4</b>	Step 2.3 divided by plan period 2022-2040
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year
3.2 Supply of social/affordable re-lets (including transfers)	<b>27.8</b>	Step 3.1 x NA social rented stock (2.2.1)
<b>NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM</b>		
Overall shortfall per annum	<b>1.2</b>	(Step 1.2 + Step 2.4) - Step 3.2

103. An important caveat to this finding is that there are demonstrably households currently in need in Ashby (in the region of 120 households), and to 'spread them out' over the Plan period suggests that some of them can be accommodated once a sufficient surplus has been built up. While possible, this is not favourable to the

individuals involved. In practice, it would be better to frontload any future Affordable Housing provision to meet those needs as soon as possible, leaving newly arising need in future to be met by turnover in the existing stock. Furthermore, there is a clear need for Affordable Housing across NWL as a whole (evidenced in the HENA), and it is reasonable to expect Ashby to satisfy some of the wider district need, as a larger settlement, with smaller rural villages less likely to have sufficient provision of Affordable Housing. This is further demonstrated in Table 4-1, with a greater proportion of households in Ashby (14.2%) living in social rented housing than the wider local authority area (13.5%).

## **AECOM calculations - affordable home ownership**

104. Turning to Affordable Housing providing a route to home ownership, Table 4-6 below estimates the potential demand in Ashby. This model aims to estimate the number of households who can rent but can't buy on the basis of their incomes. It counts households currently living in or expected to enter the private rented sector who are not on housing benefit.
105. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model discounts 25% of these households, assuming a proportion will be renting out of choice. The result of the calculation is around 33.5 households per annum who may be interested in affordable home ownership (or 603 for the entirety of the Plan period).
106. Again this assumes a rate of turnover in the existing stock will satisfy some need (roughly 6 units per year). However, the potential current and future demand is so large as to far exceed supply through turnover, meaning that additional provision is required.
107. However, it is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.
108. It should also be noted that in both the estimated need for affordable rented housing and the estimated demand for affordable home ownership, there is no requirement that this is met during the plan period, or within the NA, it is rather an expression of the potential need/demand of local people.

**Table 4-6 Estimate of need for Affordable Housing for sale in Ashby**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in the NA	888.0	2021 Census number of private renters
1.2 Percentage renters on housing benefit in LA	27.3%	% of renters in 2021 on housing benefit/ Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in NA	242.4	Step 1.1 x Step 1.2
1.4 Current need (households)	484.2	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	<b>26.9</b>	Step 1.4 divided by plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	1663.4	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	9.6%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	160.3	Step 2.1 x Step 2.2
2.4 Total newly arising need per annum	<b>12.3</b>	Step 2.3 divided by plan period
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	115.0	Number of shared ownership homes in NA (Census 2021)
3.2 Supply - intermediate resales	<b>5.8</b>	Step 3.1 x 5% (assume rate of re-sale)
<b>NET SHORTFALL (OR SURPLUS) PER ANNUM</b>		
Overall shortfall per annum	<b>33.5</b>	(Step 1.5 + Step 2.4) - Step 3.2

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

109. The NPNP Steering Group advise that the town has grown substantially in the past 20 years. Development has brought forward a disproportionately large number of larger homes (4-5 bedrooms) which is adversely impacting affordability in the parish.
110. The Steering Group also observe that there is a potential gap in the provision of specialist older persons housing (discussed further in chapter 6).
111. The Local Plan allocates a large strategic housing site at Money Hill for up to 2,050 homes, 605 of which have planning permission. This would be expected to yield substantial Affordable Housing in compliance with the adopted NWLLP.
112. NWLDC's housing waiting list data shows there are around 120 households seeking affordable housing in Ashby. Just over half of these have also expressed an interest in affordable shared ownership tenures. Bidding data for the period 2018-2022 indicates that the highest demand is for 2 bedroom homes (41%) followed by 1 bedroom (37%), 3 bedroom (21%) and 1% of bids were for 4 bedroom homes.
113. The adopted Ashby de la Zouch NP (made November 2018)<sup>10</sup> states that there has been '*historic under provision and disproportionate demand for affordable housing in Ashby de la Zouch. 25% of the current social housing waiting list across North West Leicestershire is for homes in Ashby de la Zouch*'.
114. The NWLDC's authority Monitoring Report<sup>11</sup> (2021/22) indicates that since the start of the adopted Local Plan period (2011), the largest amount of new development outside of the Coalville Urban Area has been in Ashby de la Zouch with a of 1,518 homes delivered. The report shows that Affordable Housing made up around 18% (on average) of the total housing delivered in the district since 2013/14. This is above the adopted policy target for brownfield sites (15%) but well below the target for greenfield sites (30%)

## **Affordable Housing policy guidance**

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

## **Application of Local Plan policies**

116. NWL's adopted policy on this subject, H4, requires 30% of all new development on schemes of 11 or more dwellings (or 1000 m<sup>2</sup> and over in area) to be affordable. On brownfield sites the requirement is 15% AH on schemes of 20 or more dwellings (or 1ha and over in area).
117. NWLDC's housing completions data indicated an Affordable Housing delivery rate of around 18%. This is above the brownfield target (15%) but well below the 30% target for greenfield sites. The latter would apply to the new development

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<sup>10</sup> [Ashby de la Zouch Neighbourhood Plan 2011-2031](#)

<sup>11</sup> [North West Leicestershire District Council Authority Monitoring Report 2021-22](#)

planned on the large strategic site (Land North of Ashby) allocated in the NWLLP.

118. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.
119. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures, such as the balance between rented tenures and routes to home ownership, is left as a matter to be informed by the latest evidence. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Ashby specifically.

## **Affordable Housing at Neighbourhood level**

120. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Ashby on the basis of identified housing need and a range of other considerations detailed in Appendix D.
121. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be close to the assessed need; once the strategic allocations in the NWLDC are built out. This HNA suggests that 50% of Affordable Housing in future developments is allocated for affordable homes ownership, the first 25% being First Homes (at a 30% discount) and the remainder split between shared ownership and Rent to Buy. The remaining 50% is recommended to be for affordable/ social rents, in a split determined by the Local Authority and Registered Provider.
122. Since First Homes appear to be affordable to average income households locally, national policy that First Homes should represent 25% of the affordable mix is suitable here. A further 12.5% is allocated to shared ownership rather than more First Homes and 12.5% as Rent to Buy as both of these options may be helpful to those unable to afford First Homes and/or those are unable to provide the initial deposit required for First Homes/ Shared Ownership homes.
123. Where the Steering Group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with NWLDC to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

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

<b>Tenure</b>	<b>Indicative mix</b>	<b>Considerations and uncertainties</b>
<b>Routes to home ownership, of which</b>	<b>50%</b>	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	12.5%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	12.5%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
<b>Affordable Housing for rent, of which</b>	<b>50%</b>	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations



## Conclusions- Tenure and Affordability

### Current tenure profile

124. Ashby has a slightly lower rate of home ownership compared to the wider district, though both the NA and district have higher rates of owner occupation compared to the national average. Social and private rents make up a similar proportion of tenures in Ashby and the district, both being substantially lower than the average for England. Shared ownership tenures are more prevalent in Ashby than the wider geographies. The higher owner occupation combined with fewer social and private rents could adversely impact affordability in the parish.
125. The intercensal data shows an increase in shared ownership tenures in the parish with the category growing by 51% (though actual numbers remain quite small). The next biggest growth is observed in the private rented sector which grew 45% in the same period. Owner occupation grew by 24% while the social rented sector grew by a comparatively more modest 17%.

### Affordability

126. House prices have consistently risen over the past decade with the average property price (currently £330,559) rising 58% in value. The entry level (lower quartile) house price grew from £137,000 in 2013 to £197,500 in 2022; a growth of 68%. The median house price rose by 52% in the same period (currently £297,000). Data suggests that property values in Ashby attract a 16-17% premium over prices in the wider district.

### The need for Affordable Housing

127. The HNA uses locally specific data to estimate Ashby's Affordable Housing need through two calculations. This produces a total estimated need of approximately 22 affordable rented dwellings over the NP period (2022-2040) (or 1.2 per annum) and 603 affordable ownership dwellings over the NP period (or 33.5 per annum).

### Affordable Housing policy

128. NWL's adopted policy on this subject, H4, requires 30% of all new development on schemes of 11 or more dwellings (or 1000 m<sup>2</sup> and over in area) to be affordable. On brownfield sites the requirement is 15% AH on schemes of 20 or more dwellings (or 1ha and over in area).
129. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures, such as the balance between rented tenures and routes to home ownership, is left as a matter to be informed by the latest evidence.
130. On the basis of the considerations delineated in this Chapter, an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy is suggested for Ashby. This is chiefly a response to the expectation that the delivery of Affordable Housing will be close to the assessed need once the strategic allocations in the NWLDC are built out. This HNA suggests that 50% of Affordable Housing in future developments is allocated for affordable homes

ownership, the first 25% being First Homes (suggested at a 30% discount) and the remainder split between shared ownership and Rent to Buy. The remaining 50% is recommended to be for affordable/ social rents, in a split determined by the Local Authority and Registered Provider.

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

**Table 4-8: Estimated delivery of Affordable Housing in Ashby**

	Step in Estimation	Expected delivery
A	Sum of allocations in the NWLLP	2,094
B	Affordable housing quota (%) in LPA's Local Plan	30%
C	Potential total Affordable Housing in NA (A x B)	628
D	Rented % (e.g. social/ affordable rented)	50%
E	Rented number (C x D)	314
F	Affordable home ownership % (e.g. First Homes, shared ownership, Rent to Buy)	50%
G	Affordable home ownership number (C x F)	314

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

132. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

# Type and Size

## Introduction

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

## Definitions

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

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

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

## The current housing mix

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

### Dwelling type

139. Table 5-1 below shows Ashby's 2011 dwelling stock dominated by detached housing (42%) followed by semis (33%) with these collectively forming 75% of stock. The remaining stock was made up of terraced homes (15%) and flats (10%). A similar picture is observed in 2021 with completions since 2011 showing a trend towards more detached homes (grew to 45% of total) with fewer semis (declined to 31%) and flats (declined slightly to 9%) with the proportion of terraced homes remaining the same (15%). This trend towards more detached homes at the expense of the relatively more affordable dwelling types has adverse impacts on affordability. This also echoes the NP Steering Group's observation that recent development has tended to favour larger homes.

140. The Census data does not capture bungalows as a separate category but the Valuation Office Agency (VOA) data shows these made up around 11% of stock in Ashby compared to 12% in the wider district, both being slightly higher than the average for England (9%).

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

Type	2011	%	2021	%
Detached	2,283	42.1%	2,919	44.7%
Semi-detached	1,799	33.2%	2,007	30.7%
Terrace	830	15.3%	1,001	15.3%
Flat	517	9.5%	598	9.2%
Total	5,422	100.1%	6,532	99.9%

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

141. Table 5-2 compares the NA mix to wider benchmarks. It shows that Ashby has a greater proportion of detached housing than the wider district and almost twice the national average. There are relatively fewer semi-detached properties than in the wider geographies. Terraced housing makes up a lower proportion of stock in Ashby than in the wider district, both being substantially lower than the national average. Whilst flats make a larger proportion of stock in the parish than in the district as a whole, both have less than half the national average.

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

Type	Ashby	NWL	England
Detached	44.7%	41.1%	22.9%
Semi-detached	30.7%	34.9%	31.5%
Terrace	15.3%	16.8%	23.0%
Flat	9.2%	6.4%	22.2%

Source: Census 2021, AECOM Calculations

## Dwelling size

142. Table 5-3 below presents the current housing mix in terms of size. It shows Ashby's housing stock dominated by 3 bedroom homes (39%) followed by larger 4 bedroom plus homes (34%). Smaller homes (1-2 bedrooms) form about 27% of the total. The 2021 stock distribution is somewhat less balanced than that in 2011, showing growth in larger homes (grew from 25% to 34% in the intercensal period) and proportional declines across smaller dwelling sizes. Again, this trend towards larger homes confirms the observations reported by the NP Steering Group and is likely to worsen affordability issues identified in the previous section.

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

Number of bedrooms	2011	%	2021	%
1	359	6.9%	437	6.7%
2	1,083	20.7%	1,334	20.4%
3	2,196	41.9%	2,529	38.7%
4+	1,597	25.1%	2,236	34.2%
Total	5,235	100.0%	6,536	100.0%

Source: ONS 2021 and 2011, AECOM Calculations

143. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 shows that larger (4+ bedroom) homes formed over a third of the stock in Ashby; a much larger proportion than the corresponding levels in the wider district and the national average. Medium (3 bedroom) homes formed a smaller percentage of stock in the parish than in the wider geographies. Similarly, smaller (1-2 bedroom) homes constitute a much smaller proportion (27%) in Ashby compared to the wider geographies (28% for the district and 39% nationally). Overall the parish has a greater proportion of larger, 4 bedroom plus, homes and fewer smaller and medium homes (1-3 bedrooms) than the wider geographies.

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

Number of bedrooms	Ashby	NWL	England
1	6.7%	5.8%	11.6%
2	20.4%	22.4%	27.3%
3	38.7%	44.7%	40.0%
4+	34.2%	27.2%	21.1%

Source: Census 2021, AECOM Calculations

## Population characteristics

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

### Age

145. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. The data shows that the 45-64 age group constitutes the largest percentage of Ashby's population at 27%, closely followed by the 25-44 cohort at 25%. The smallest percentage corresponds to the 15-24 age group (10%) whilst the youngest cohort makes up 18% of the resident population. Currently, the population profile slightly favours the under 45 age groups with more residents aged 0-44 (52%) than 45 and over (48%). Notably the 65-84 age group grew the fastest (by 46%) in the intercensal period whilst the remaining groups grew by 14-19%. In terms of the overall trend the older age groups are growing at faster rates than the younger age groups. This will potentially impact future housing need in Ashby in terms of the size and type of dwellings required: smaller, more adaptable dwellings suited to older persons needs are likely to be helpful in meeting some of this demand in future. Similar options may also be able to accommodate the likely growth in young newly forming households as the current cohort of children reach adulthood over the coming decades.

**Table 5-5: Age structure of Ashby, 2011 and 2021**

Age group	2011 (Census)		2021 (Census)		Change
0-14	2,299	18.3%	2,665	17.6%	15.9%
15-24	1,309	10.4%	1,488	9.8%	13.7%
25-44	3,116	24.9%	3,705	24.5%	18.9%
45-64	3,535	28.2%	4,061	26.9%	14.9%
65-84	1,921	15.3%	2,803	18.5%	45.9%
85 and over	350	2.8%	398	2.6%	13.7%
Total	12,530	100.0%	15,120	100.0%	

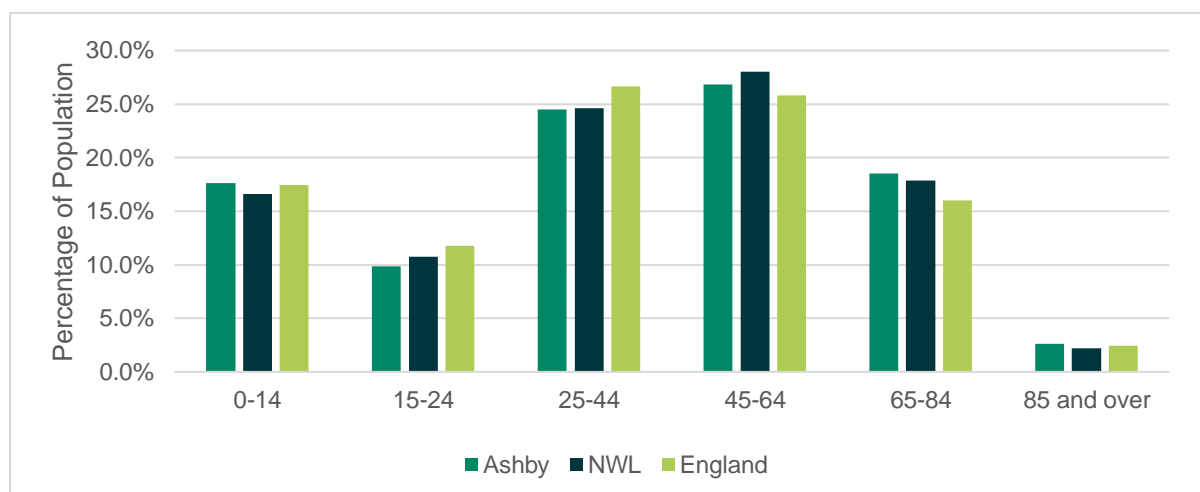
Source: ONS 2011, ONS 2021, AECOM Calculations

146. The 2021 Census data shows the district's population growing by 12% since 2011 whilst Ashby's population grew at a much higher rate of 21%. NWL's population shows similar trends with the 65-84 cohort growing at the highest rate

by 32%; though is lower than the corresponding rate in the NA.

147. For context, it is useful to look at the NA population structure alongside that of the district and country. Figure 5-1 (using 2021 Census data) shows that Ashby NA has higher proportion of the 2 oldest cohorts (65+) than the wider geographies. The 15-24 and 25-44 cohorts are also relatively underrepresented in the NA compared to the national average. However, the NA has a slightly higher proportion of the youngest age group than the wider geographies.

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



Source: ONS 2021, AECOM Calculations

## Household composition and occupancy

148. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that Ashby has a similar proportion of single person households to the national average, though this is slightly higher than the corresponding levels in the wider district (27.8%). The NA has a greater proportion of family households aged 66 and over than in the wider geographies. Of those younger than 66 the balance between families with and without children favours those with children. In summary, there are more older households and fewer couples without young children in the NA.
149. Notably the proportion of family households aged 66 and over grew by 89% since the 2011 Census in the NA compared to 37% in the wider district and 8% nationally.
150. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. It is interesting to observe that this category grew by 24% between 2011 and 2021 in Ashby – a faster rate than at district (19%) and national (4%) levels.

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

Household composition		Ashby	NWL	England
<b>One person household</b>	<b>Total</b>	<b>29.4%</b>	<b>27.8%</b>	<b>30.1%</b>
	Aged 66 and over	13.9%	12.5%	12.8%
	Other	15.5%	15.2%	17.3%
<b>One family only</b>	<b>Total</b>	<b>67.7%</b>	<b>67.9%</b>	<b>63.1%</b>
	All aged 66 and over	13.9%	10.8%	9.2%
	With no children	18.6%	20.5%	16.8%
	With dependent children	28.1%	25.8%	25.8%
	With non-dependent children <sup>12</sup>	9.1%	10.4%	10.5%
<b>Other household types</b>	<b>Total</b>	<b>2.9%</b>	<b>4.3%</b>	<b>6.9%</b>

Source: ONS 2021, AECOM Calculations

151. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
152. Table 5-7 shows that in Ashby a combined 80% of households live in a home with at least one bedroom more than they would be expected to need and 47% have two or more extra bedrooms. Only 1% of households have too few.
153. The previous chapter established the high property values in the area, so it would appear that the largest homes are not necessarily occupied by those with the largest families but by those with the financial capacity to do so, irrespective of their household size, or by older people who have not chosen or been able to move to smaller properties. This latter point is confirmed when considering the data for different household types. Almost all (96%) couples aged over 65 have more bedrooms than they would be expected to need.

<sup>12</sup> Refers to households containing children who are older than 18 e.g students or young working people living at home.

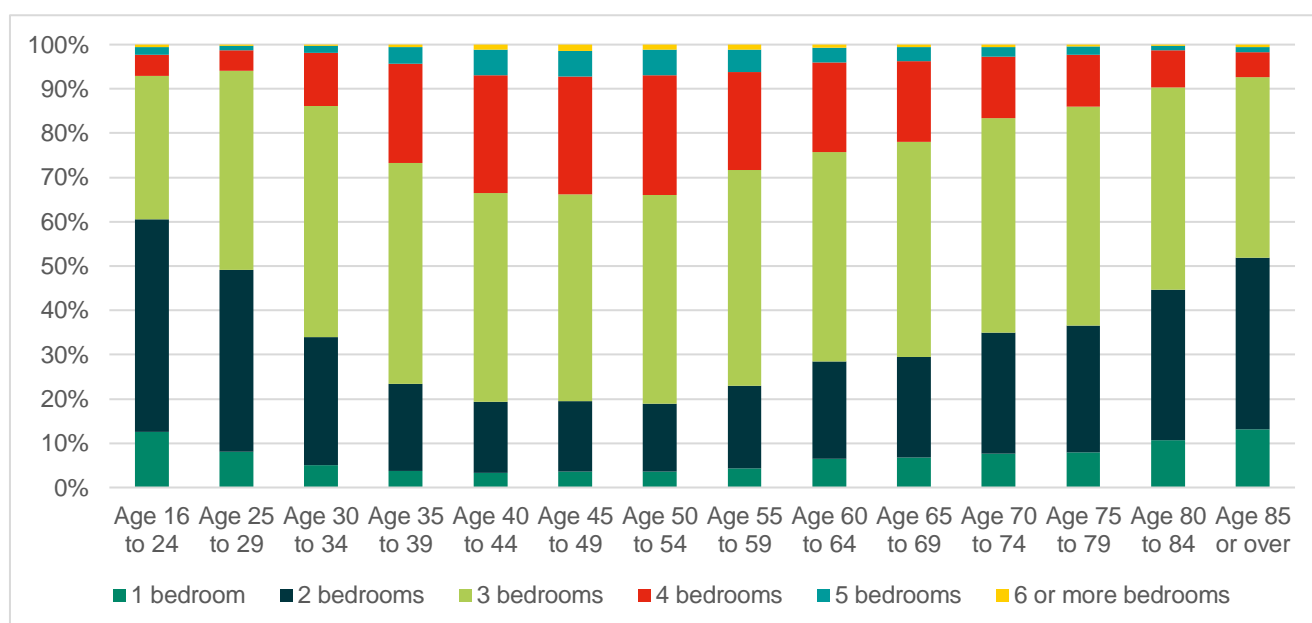


**Table 5-7: Occupancy rating by age in Ashby, 2011**

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	72.8%	23.3%	4.0%	0.0%
Single person 65+	44.4%	36.1%	19.6%	0.0%
Family under 65 - no children	79.9%	16.8%	3.4%	0.0%
Family under 65 - dependent children	29.3%	42.0%	26.0%	2.7%
Family under 65 - adult children	27.1%	47.6%	24.2%	1.0%
Single person under 65	45.9%	33.2%	20.9%	0.0%
All households	47%	33%	18%	1%

Source: ONS 2011, AECOM Calculations

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

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

Source: ONS 2011, AECOM Calculations

## Future population and size needs

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

### Age

156. The result of applying Local Authority level household projections to the age profile of Ashby households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households with a 102% increase in households aged 65 and over in the Plan period. All the remaining age groups will continue to grow but at lower rates ranging from 27% to 35% over the NP period.

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

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	102	584	2,068	1,012	1,484
2040	129	789	2,631	1,341	2,991
% change 2011-2040	27%	35%	27%	32%	102%

Source: AECOM Calculations

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

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

159. The result of this exercise is presented in Table 5-9. It suggests that there is likely to be limited need for larger (4-5 bedroom plus homes) and the smallest (1 bedroom) homes in Ashby on the basis of demographic change and existing stock patterns. The majority of need is likely to be for medium (3 bedroom) homes at 58% of total followed by 2 bedroom homes at 31% with only a modest 5% more 1 bedroom homes likely to be required by the end of the Plan period. In essence the goal is diversification away from a relatively skewed (towards larger dwellings) current mix, with a need for smaller homes with particular emphasis on the medium (3 bedroom) dwellings.

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

<b>Number of bedrooms</b>	<b>Current mix (2011)</b>	<b>Suggested mix (2040)</b>	<b>Balance of new housing to reach suggested mix</b>
1	6.8%	6.3%	5.1%
2	20.6%	24.2%	31.1%
3	41.8%	47.4%	58.1%
4	25.0%	18.0%	3.9%
5+	5.4%	4.2%	1.8%

Source: AECOM Calculations

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

- The above findings are echoed by the Steering Group observation that recent housing has tended to favour larger 4/5 bedroom dwellings and the concern that there is a lack of smaller dwellings suitable for older residents.
- The need for greater proportion of 3 and 2 bedroom homes in the future housing mix also accords with HENA findings. The latter proposes 45% 3 bedroom homes and 35% 2 bedroom homes for market housing in NWL with smaller proportions of 4+ bedroom homes (15%) and fewer (5%) 1 bedroom homes.
- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.
- Continuing to provide smaller to medium homes with fewer bedrooms would help to address this situation. It should also be considered whether large numbers of 1 bedroom homes are suitable given the area's character and current density.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable.

## Tenure

161. The recommendation discussed immediately above applies to all housing in the NA over the Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.
162. Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
163. There are three key sources of information for thinking through the size needs of different categories. These are:
- The relevant housing evidence base for the Local Authority, which sets out the projected need by size within each tenure over the long-term. In this case, the HENA proposes the following dwelling size mix for the different tenures (affordable and market) within the district NWL:

No. of bedrooms	Market housing	Affordable housing
1 bedroom	5%	15%
2 bedroom	35%	40%
3 bedrooms	45%	35%
4+ bedrooms	15%	10%

- NWLDC's housing register data for the period 2018 to 2022 (bids received by number of bedrooms) suggests that 2 bedroom homes were most in demand attracting 41% of bids followed by 1 bedroom (37%) and 3 bedroom homes (21%). Larger accommodation (4 bedrooms) only attracted 1% of bids.
  - The Steering Group also note that there is a gap in the supply of smaller dwellings suitable for older people in the NA. It will be important to address this through the provision of smaller/ adaptable/ accessible dwellings to cater for the substantial growth anticipated in the 66+ age groups over the Plan period.
164. To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes while market homes focus on mid-sized homes and some larger options. It is not necessary (and is potentially

not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

## Type

165. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.
166. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
167. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Ashby, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.
168. In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the NP Steering Group and community to consider.

## Conclusions- Type and Size

### The current housing mix

169. Ashby's dwelling stock is characterised by larger detached and semi-detached homes (75% of stock). Recent completions have skewed the balance further toward larger detached homes.
170. Ashby's housing stock dominated by 3 bedroom homes (39%) followed by larger 4 bedroom plus homes (34%). Smaller homes (1-2 bedrooms) form about 27% of the total. The 2021 stock distribution is somewhat less balanced than that in 2011, showing growth in larger homes (grew from 25% to 34% in the intercensal period) and proportional declines across smaller dwelling sizes. This trend

towards larger homes confirms the observations reported by the NP Steering Group and is likely to worsen affordability issues identified in the NA.

### **Population characteristics**

171. Currently, the population profile slightly favours the under 45 age groups with more residents aged 0-44 (52%) than 45 and over (48%). However the change in the population's age profile between the 2011 and 2021 Censuses shows that the 65-84 age group grew the markedly (46%) in the intercensal period whilst the remaining groups grew at slower rates (14-19%). In terms of the overall trend the older age groups are growing at faster rates than the younger age groups. This will potentially impact future housing need in Ashby in terms of size and type of dwellings required: smaller, more adaptable dwellings suited to older persons needs are likely to be helpful in meeting some of this demand in future.

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

172. The results of the life-stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those age groups over the Plan period in order to understand what should be built, suggests that new development might benefit from a strong focus on medium (3 bedroom) and smaller dwellings (2 bedroom). There is limited further need for the smallest 1 bedroom dwellings and larger (4 bedroom plus) homes over the NP period.

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

# Specialist housing for older people

## Introduction

174. It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Ashby. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

175. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.

176. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.<sup>13</sup>

177. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).<sup>14</sup> Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

178. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

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<sup>13</sup> See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

<sup>14</sup> For a full description of Planning Use Classes, please refer to [https://www.planningportal.co.uk/info/200130/common\\_projects/9/change\\_of\\_use](https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use)

## Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing<sup>15</sup>:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

## Specialist housing for older people

179. There is a total of 365 units of specialist accommodation in the NA at present, the majority (83%) of which are available for social rent for those in financial need, with the remainder being offered for leasehold market purchase including some shared ownership tenures. Details are provided in Appendix E.
180. The 2021 Census data indicates that there are currently around 1,432 individuals aged 75 or over in Ashby. This suggests that current provision is in the region of 255 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

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<sup>15</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>



## Demographic characteristics

181. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Ashby is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for NWL. The results, set out in Table 6-1, show that the proportion of residents aged 75+ in Ashby is similar if slightly higher, than the district average both in 2021 and at the end of the NP period in 2040. In this period the proportion of Ashby residents aged 75+ is expected to grow from just under 10% in 2021 to 13% in 2040.
182. A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

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

Age group	2021 (Census)		2040 (AECOM calc.)	
	Ashby	NWL	Ashby	NWL
All ages	15,120	104,704	19,336	133,897
75+	1,432	9,288	2,550	16,539
%	9.5%	8.9%	13.2%	12.4%

Source: ONS SNPP 2020, AECOM Calculations

183. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
184. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2040. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the vast majority of 55-75 year olds in NWL in 2011 owned their own homes (81% of households). The remaining 19% rented their home, mostly through social renting (14%) followed by private rents (5%). As stated above, specialist stock comprises 365 dwellings in Ashby and it may be surmised that the existing stock of specialist older persons housing in the wider district does not cater enough for the owner occupied sector based on Table 6-2. However, this is before taking into consideration mobility limitations specific to the NA and the fact that home adaptations may be more suitable for

households that own their own home than those living in the social rented or private rented sector.

185. The expected growth in the 75+ population in the NA is 1,118 additional individuals by the end of the plan period. This can be converted into 813 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Ashby households are likely to need in 2040, and is shown in the bottom row of Table 6-2.

**Table 6-2: Tenure of households aged 55-75 in NWL (2011) and projected aged 75+ in Ashby (2040)**

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
<b>NWL (2011 mix)</b>	80.6%	59.4%	21.2%	19.4%	13.5%	4.9%	1.0%
<b>Ashby (2040 projection)</b>	655	482	172	158	110	40	8

Source: Census 2011

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

## Future needs for specialist accommodation and adaptations

187. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be **426**.
188. AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.
189. It is important to take into consideration the breakdown of levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-3, the majority of the need, at 72%, is identified for specialist market housing. More need is identified for sheltered

housing at 54% than extra-care housing (46%). However, extra-care may need to form a higher share given the present lack of this form of accommodation in Ashby. The greatest sub-category of need was identified for market sheltered housing at 43% of the total. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

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

Type	Affordable	Market	Total
Housing with care	72	124	196
Adaptations, sheltered, or retirement living	47	183	230
<b>Total</b>	<b>120</b>	<b>307</b>	<b>426</b>

Source: Census 2011, AECOM Calculations

190. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the most simple and widely used models estimating for the housing needs of older people. Table E-3 in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Ashby results in a total of 281 specialist dwellings that might be required to the end of the Plan period. This is set out in Table 6-4.

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

Type	Affordable	Market	Total
Housing with care	35	45	80
Adaptations, sheltered, or retirement living	67	134	201
<b>Total</b>	<b>102</b>	<b>179</b>	<b>281</b>

Source: Housing LIN, AECOM calculations

## Further considerations

191. The above estimates suggest that potential need for specialist accommodation could be in the range of 281-426 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing need and delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable

## Housing.

192. In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
193. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
194. It is considered that Ashby is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Ashby in other suitable locations near to but outside the Plan area boundaries).
195. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

## Care homes

196. Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
197. However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
198. Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
199. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and

nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. Based on this rate, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2040 there would be a need for 73 care homes beds in the NA, 29 below current capacity.

200. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

## The Role of Mainstream Housing

201. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 67% of the Ashby population aged 75 and over is likely to live in the mainstream housing stock<sup>16</sup>.
202. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
203. However, given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with NWLDC.
204. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings<sup>17</sup>, although changes to Building Regulations have not yet been made.
205. The current adopted Local Plan policy H4 provides explicit encouragement for development to accommodate specific groups such as older people. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here may justify the NP Steering Group approaching the LPA to discuss setting requirements on accessibility and adaptability at district level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so

<sup>16</sup> 1,432 over 75s in 2021, of which 365 are accommodated in specialist housing and a further 102 in care homes, leaving 965 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

<sup>17</sup> See [Raising accessibility standards for new homes: summary of consultation responses and government response](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes) - GOV.UK ([www.gov.uk](https://www.gov.uk))

discussions with the LPA are advised if this is a key priority.

206. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.
207. Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Ashby to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for 16-81 wheelchair accessible dwellings over the Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

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

	Percentage in England	% applied to NA housing requirement figure (2,699 to end of plan period)
Households using wheelchair all the time	0.6%	16
Households using wheelchair either indoors or outdoors	3.0%	81

Source: Survey of English Housing 2018/19

## Conclusions- Specialist Housing for Older People

208. Ashby's stock of specialist accommodation for older people currently comprises 365 units of specialist accommodation, the majority (83%) of which are available for social rent for those in financial need, with the remainder being offered for leasehold market purchase including some shared ownership tenures.
209. There are currently around 1,432 individuals aged 75 or over in Ashby (9.5% of the population). This suggests that current provision is in the region of 255 units per 1,000 of the 75+ population (a common measure of specialist housing supply).
210. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
211. These two methods of estimating the future need in Ashby produce a range of 281 to 426 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to

exceed the range identified here. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

212. The majority of the need (72%) is for specialist market housing. More need is identified for sheltered housing at 54% than extra-care housing (46%). However, extra-care may need to form a higher share given the present lack of this form of accommodation in Ashby. The greatest sub-category of need was identified for market sheltered housing at 43% of the total. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
213. It is likely that residential development on the H3a strategic site (Land north of Ashby de la Zouch) allocated in the NWLLP for 2,050 dwellings will yield some additional specialist housing.
214. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing.
215. Applying the HLIN SHOP toolkit rates for residential/ nursing homes for older people (75+) using the rate of 65 residential care beds per 1000 people aged 75+ gives an estimated need of 73 care homes beds in the NA, 29 below current provision. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.
216. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the new Local Plan with NWLDC.

# Next Steps

## Recommendations for next steps

217. This Neighbourhood Plan housing needs assessment aims to provide the Ashby de la Zouch NP Steering Group with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with NWLDC with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
  - The views of NWLDC;
  - The views of local residents;
  - The views of other relevant local stakeholders, including housing developers and estate agents; and
  - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by NWLDC.
218. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
219. Bearing this in mind, it is recommended that the NP Steering Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, NWLDC or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
220. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.



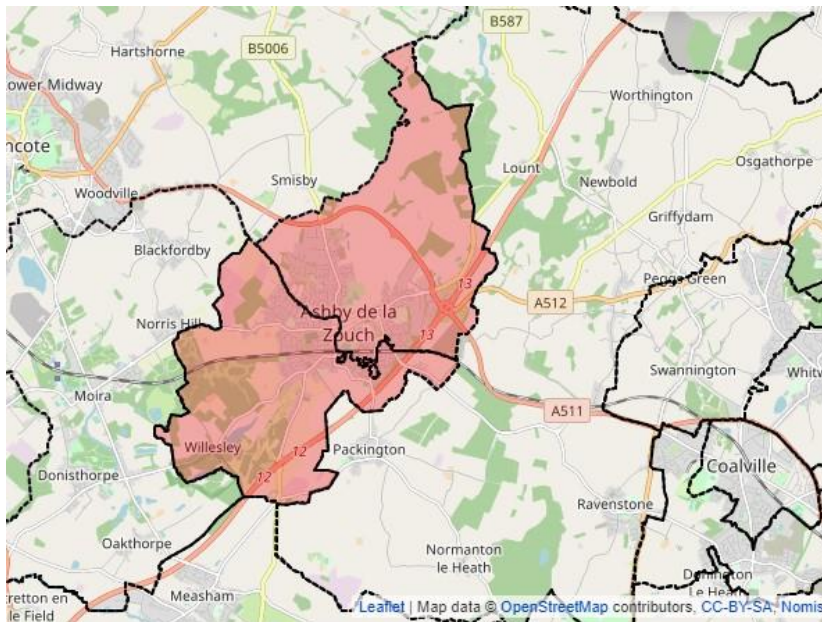
## Appendix A : Assessment geography

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

- MSOA North West Leicestershire 003 MSOA: E02005399
- MSOA North West Leicestershire 006 MSOA: E02005402

222. Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. The above MSOAs are a good match for the NA area. The MSOAs are shown in Figure A-1 below.

**Figure A-1: Super Output Areas – Mid Layer: E02005399 & E02005402**



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

- MSOA North West Leicestershire 003 MSOA: E02005399 is used for the affordability data as this covers the majority of the built up area of the parish and the two MSOA's are relatively close in terms of income data.

# Appendix B : Local Plan context

## Policies in the adopted local plan

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

**Table B-1: Summary of relevant adopted policies in the North West Leicestershire Local Plan (adopted March 2021)**

Policy	Provisions
S1 Future housing and economic development needs	Sets a target of a minimum of 9,620 new dwellings over the Plan period to 2031.
S2 Settlement hierarchy	Identifies Ashby de la Zouch (along with Castle Donnington) as a Key Service Centre; the second tier in the hierarchy after Principal Town. Such areas are described as playing an important role providing services and facilities to the surrounding areas, where a significant amount of development will take place but to a lesser extent than that in the Principal Towns.
H1 Housing provision: planning permissions	Lists sites with planning permissions for housing development. This includes the following sites in Ashby: H1a-Holywell Mill, Ashby de la Zouch (44 dwellings) H1b-Land north of Ashby de la Zouch (605 dwellings)
H3 Housing provision: new allocations	Allocates new housing sites including the following within Ashby: H3a-Land north of Ashby de la Zouch (about 2,050 dwellings in total)
H4 Affordable Housing	<p>Sets the proportion of Affordable Housing (AH) to be provided. For Ashby the policy sets the following requirements:</p> <ul style="list-style-type: none"> <li>On greenfield sites: 30% AH contribution on sites of 11 or more dwellings or developments of 1000 m<sup>2</sup> area (gross floor space).</li> <li>On brownfield sites: 15% AH contribution on developments of 20 or more dwellings or 1ha and over in area.</li> </ul> <p>AH should 'include a mix of types and tenure that reflects the type and nature of any need at the time that the application is determined.'</p> <p>The policy supports the provision of 'affordable homes to meet the needs of elderly people. Where bungalow provision is made the Council will consider reducing the overall level of affordable housing contribution, having regard to the type and size of other affordable housing provided across the site.'</p> <p>Developments of 50 or more dwellings will provide:</p> <ol style="list-style-type: none"> <li>A proportion of dwellings that are suitable for occupation by the elderly, including bungalows, subject to viability.</li> </ol>

Policy	Provisions
	<p>b) A proportion of dwellings which are suitable for occupation or easily adaptable for people with disabilities in accordance with Part M4 (2) of the Building Regulations.</p> <p>The accompanying text includes the HEDNA suggested dwelling size mix, for affordable housing this is split as follows:</p> <p>1-bed: 30-35%</p> <p>2 bed: 35-40%</p> <p>3 bed: 25-30%</p> <p>4 bed: 5-10%</p>
H6 House types and mix	Seeks a mix of housing types, size and tenure in new developments of 10 or more dwellings based on the latest available evidence.

Source: [North West Leicestershire Local Plan](#)

## Appendix C : Affordability calculations

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

### C.1 Market housing

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

#### i) Market sales

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

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

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

- Value of a median NA house price (2022) = £297,000
- Purchase deposit at 10% of value = £29,700;
- Value of dwelling for mortgage purposes = £267,300;
- Divided by loan to income ratio of 3.5 = purchase threshold of £76,371.

230. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2022 was £230,000, and the purchase threshold is therefore £59,143.

231. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 17 sales of new build properties in the NA in 2022 with an average price of £320,170 which produces a purchase threshold of

£82,329. The lower quartile price for the 17 newbuilds in 2022 equates to £257,995. However, the majority were detached dwellings, and therefore less representative of entry level homes.

232. It is, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below). Therefore an estimate has been calculated by considering the average (mean) price of new build (2021/ 2022) terraced homes and flats in the NA as these represent a good proxy for entry level homes. This gives a NA new build entry-level house price of £251,571 and purchase threshold of £64,690.
233. In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across NWL in 2022. The median cost of new build dwellings in NWL was £319,995 with a purchase threshold of £82,284.

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

234. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
235. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
236. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Area.
237. According to [home.co.uk](https://www.home.co.uk), there were 11 properties for rent at the time of search in March 2023, with an average monthly rent of £856. There were three 2 bedroom properties listed, with an average price of £733 per calendar month.
238. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
  - Annual rent = £733 x 12 = £8,796;

- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £29,320.

239. The calculation is repeated for the overall average to give an income threshold of £34,240.

## C.2 Affordable Housing

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

### i) Social rent

241. Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

242. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Ashby. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for NWL in Table C-1.

243. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

**Table C-1: Social rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£82	£91	£99	£110	£93
Annual average	£4,255	£4,752	£5,167	£5,743	£4,816
Income needed	£14,170	£15,825	£17,207	£19,126	£16,038

Source: Homes England, AECOM Calculations

### ii) Affordable rent

244. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).

245. Even an 80% discount on the market rent may not be sufficient to ensure that

households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

246. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for NWL. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
247. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 50% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

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

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£84.69	£101.46	£111.20	£128.15	£98.20
Annual average	£4,404	£5,276	£5,782	£6,664	£5,106
Income needed	£14,665	£17,569	£19,255	£22,190	£17,004

Source: Homes England, AECOM Calculations

### iii) Affordable home ownership

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

#### First Homes

250. Because First Homes are a new tenure product, it is worth explaining some of their key features:
- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
  - The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;

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

251. The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £251,571.

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

- Value of a new home (NA new build entry-level) = £251,571;
- Discounted by 30% = £176,100;
- Purchase deposit at 10% of value = £ £17,610
- Value of dwelling for mortgage purposes = £158,490;
- Divided by loan to income ratio of 3.5 = purchase threshold of £45,283.

253. The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £38,814 and £32,345 respectively.

254. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

255. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70



sq. m and a build cost of £1,750 per sq. m<sup>18</sup>) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue for 30-40% discounted First Homes but could be an issue for 50% discounted First Homes in Ashby.

256. Table C-3 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using an the average price (using Land Registry PPD) of new build (2021/2022) terraced properties and flats in Ashby as proxy for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	32%	81%	62%
NA estimated new build entry-level house price	20%	78%	55%
NA entry-level house price	13%	76%	51%
LA median new build house price	37%	82%	65%

Source: Land Registry PPD; ONS MSOA total household income

### Shared ownership

257. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
258. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
259. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income

<sup>18</sup> It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

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

- A 25% equity share of £251,571 is £62,893;
- A 10% deposit of £6,289 is deducted, leaving a mortgage value of £56,603;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £16,172;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £188,678;
- The estimated annual rent at 2.5% of the unsold value is £4,717;
- This requires an income of £15,723 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £31,896 (£16,172 plus £15,723).

261. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £25,337 and £42,827 respectively.

262. Again, the income thresholds calculated above are all below the £80,000 cap for eligible households.

### **Rent to Buy**

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

### **Help to Buy (Equity Loan)**

264. The Help to Buy Equity Loan is not an affordable housing tenure but allows households to afford market housing through a loan provided by the government. With a Help to Buy Equity Loan the government lends up to 20% (40% in London) of the cost of a newly built home. The household must pay a deposit of 5% or more and arrange a mortgage of 25% or more to make up the rest. Buyers are not charged interest on the 20% loan for the first five years of owning the home.

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

# Appendix D : Affordable Housing policy

## Affordable housing policy

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

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

Consideration	Local Evidence
<p><b>A. Evidence of need for Affordable Housing:</b></p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>Prorating the HNEA estimates to Ashby suggests the NA requires around 34 units of affordable rented dwellings per annum (612 over the Plan period) and 21 units of affordable ownership homes per annum (378 over Plan period).</p> <p>This study which uses locally specific data based on NWLDC housing register for Ashby, estimates that Ashby requires around 1.2 affordable rented dwellings per annum or 22 over the Plan period and 33.5 affordable ownership dwellings per annum (dpa) or 603 over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p> <p>The relationship between these figures (5% affordable rents to 95% affordable ownership) suggests that affordable ownership housing should be prioritised over affordable rents. However, an important caveat to this finding is that there are demonstrably households currently in need in Ashby, and to 'spread them out' over the Plan period suggests that some of them can be accommodated once a sufficient surplus has been built up. While possible, this is not favourable to the individuals involved. In practice, it would be better to frontload any future Affordable Housing provision to meet those needs as soon as possible, leaving newly arising need in</p>

	<p>future to be met by turnover in the existing stock. Furthermore, there is a clear need for Affordable Housing across NWL as a whole (evidenced in the HENA), and it is reasonable to expect Ashby to satisfy some of that need (whether from local households or those elsewhere in the district).</p>
<p><b>B. Can Affordable Housing needs be met in full?</b></p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p>	<p>If the Local Plan target of 30% was achieved on every site, assuming the delivery of the NA's allocations for 2,094 homes overall (mostly greenfield), up to 628 affordable homes might be expected in the NA over Plan period.</p> <p>This level of potential affordable housing delivery would be sufficient to meet the assessed need.</p>
<p><b>C. Government policy (eg NPPF) requirements:</b></p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	<p>For 10% of all housing to be affordable ownership in Ashby, where 30% of all housing should be affordable on greenfield sites (15% on brownfield), a third (33.3%) of Affordable Housing should be for affordable ownership. This would not conflict with adopted Local Plan as the NWLLP does not set a specific AH tenure split, leaving this to be decided on the basis of the latest evidence. This would also comply with the HENA (part of the evidence listed in the NWLLP), which implies a 62% affordable rent to 38% affordable ownership split for the district.</p>
<p><b>D. Local Plan policy:</b></p>	<p>The adopted Local Plan does not propose an AH tenure split, leaving this to be informed by evidence (including the HENA).</p>
<p><b>E. First Homes policy:</b></p> <p>The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through</p>	<p>This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This would not impact the requirement in Local Plan or the HENA as the former does not propose a split and the latter proposes less than 75% affordable rented housing.</p>

<p>developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering 'top slicing' their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p>	
<p><b>F. Viability:</b></p>	<p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.</p>
<p><b>G. Funding:</b></p> <p>The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p>	<p>The NP Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p><b>H. Existing tenure mix in Ashby:</b></p> <p>The current stock of homes in an area, in terms of balance between ownership, rented</p>	<p>Evidence suggests there is limited Affordable Housing (either to rent or for sale) within the NA at present. from The 2021</p>

<p>and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>Census indicates Ashby has a lower proportion of social rented housing compared to the national average. Whilst shared ownership tenures increased by over 50% since 2011, there are relatively few such homes available in the parish (around 115 in 2021). The currently adopted ADZNP (made in 2018) noted that there has been <i>'historic under provision and disproportionate demand for affordable housing in Ashby de la Zouch. 25% of the current social housing waiting list across North West Leicestershire is for homes in Ashby de la Zouch'</i>.</p> <p>NWLDC's housing register data indicates there are around 120 households in need of affordable housing in Ashby.</p>
<p><b>I. Views of registered providers:</b></p>	<p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.</p>
<p><b>J. Wider policy objectives:</b></p>	<p>The NP Steering Group may wish to take account of broader policy objectives for Ashby and/or the wider district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.</p>

# Appendix E : Specialist housing for older people

## Background data tables

**Table E-1: Existing specialist housing supply, Ashby**

	Name	Description	Dwellings	Tenure	Type
1	Bainbridge Court	Flats of 1 to 2 bedrooms.	32	Leasehold	Retirement housing
2	Brown Court	On bedroom flats and bungalows	34	Rent (social landlord)	Retirement housing
3	Claridge Place	1,2 and 3 bedroom flats	28	Rent (social landlord)	Retirement housing
4	Hood Court	Studio and 1 bedroom flats	30	Rent (social landlord)	Retirement housing
5	Millbank & Bridge Place	1-2 bedroom Bungalows and flats	30	Rent (social landlord)	Age exclusive housing
6	Pithiviers Close	1 and 2 bedroom self contained flats and bungalows including wheelchair standard properties.	58	Rent (social landlord)	Age exclusive housing
7	Prior Park	91 bungalows of 1,2 and 3 bedrooms including mobility standard properties	91	Shared Ownership and Rent (social landlord)	Retirement housing
8	Western Close	2 bedroom 29 flats and bungalows including mobility and wheelchair standard properties.	29	Leasehold and Shared Ownership	Retirement housing
9	Willesley Estate Bungalows	1 bedroom bungalows	33	Rent (social landlord)	Retirement housing
Residential Care Homes					
	Name	Description	Bed spaces		
1	Ashby Court Care Home	Nursing and residential homes accepts private and NHS/ social tenants	56		
2	Fernleigh Care Home	Long stay Care home	27		
3	Lyndhurst Lodge	Long stay Care Home	19		

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

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

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
<b>All categories</b>	536	25.1%	606	28.3%	996	46.6%
<b><i>Owned Total</i></b>	313	18.9%	461	27.9%	878	53.1%
Owned outright	270	18.3%	409	27.7%	799	54.1%
Owned (mortgage) or shared ownership	43	24.7%	52	29.9%	79	45.4%
<b><i>Rented Total</i></b>	223	45.9%	145	29.8%	118	24.3%
Social rented	192	48.5%	116	29.3%	88	22.2%
Private rented or living rent free	31	34.4%	29	32.2%	30	33.3%

Source: DC3408EW Health status

## HLIN calculations

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

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

Source: Housing LIN SHOP Toolkit

267. As Table 6-1 in the main report shows, Ashby is forecast to see an increase of 1,118 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:



- Conventional sheltered housing to rent =  $60 \times 1.118 = 67$
- Leasehold sheltered housing =  $120 \times 1.118 = 134$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) =  $20 \times 1.118 = 22$
- Extra care housing for rent =  $15 \times 1.118 = 17$
- Extra care housing for sale =  $30 \times 1.118 = 34$
- Housing based provision for dementia =  $6 \times 1.118 = 7$

# Appendix F : Housing Needs Assessment Glossary

## **Adoption**

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

## **Affordability**

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

## **Affordability Ratio**

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

## **Affordable Housing (NPPF Definition)**

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

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

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

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

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

### **Affordable rented housing**

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods<sup>19</sup>.

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

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

### **Annual Monitoring Report**

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

### **Basic Conditions**

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

### **Backlog need**

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

### **Bedroom Standard<sup>20</sup>**

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

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<sup>19</sup> The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

<sup>20</sup> See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

## Co-living

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

## Community Led Housing/Community Land Trusts

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

## Community Right to Build Order<sup>21</sup>

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

## Concealed Families (Census definition)<sup>22</sup>

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

## Equity Loans/Shared Equity

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

<sup>21</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>22</sup> See [http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776\\_350282.pdf](http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf)

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

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

## **Fair Share**

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

## **First Homes**

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

## **Habitable Rooms**

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

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

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

## **Housing Market Area**

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

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

## **Housing Needs**

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

## **Housing Needs Assessment**

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

## **Housing Products**

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

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

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

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

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

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

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

## **Income Threshold**

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

## **Intercensal Period**

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

## **Intermediate Housing**

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

## **Life Stage modelling**

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

## **Life-time Homes**

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

## **Life-time Neighbourhoods**

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

## **Local Development Order**

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

## **Local Enterprise Partnership**

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

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

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

## **Local Planning Authority**

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

## **Local Plan**

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

## **Lower Quartile**

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

## **Lower Quartile Affordability Ratio**

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

## **Market Housing**

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

## **Mean (Average)**

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

## **Median**

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

## **Median Affordability Ratio**

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



## **Mortgage Ratio**

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years<sup>23</sup>, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

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

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

## **Neighbourhood plan**

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

## **Older People**

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

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

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

## **Overcrowding**

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

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<sup>23</sup> See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

### **Planning Condition**

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

### **Planning Obligation**

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

### **Purchase Threshold**

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

### **Proportionate and Robust Evidence**

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

### **Private Rented**

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

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

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

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

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

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

## **Rightsizing**

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

## **Rural Exception Sites**

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

## **Shared Ownership**

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

## **Sheltered Housing<sup>24</sup>**

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 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

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<sup>24</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

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

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

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

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

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

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

### **Social Rented Housing**

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.<sup>25</sup>

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<sup>25</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

