



# Hatfield Peverel Housing Needs Assessment (HNA)

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## Quality information

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

BDC	Braintree District Council
DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
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
HPPC	Hatfield Peverel Parish Council
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
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

# 1. Executive Summary

## 1.1 Conclusions- Tenure and Affordability

1. The current profile of Hatfield Peverel in terms of tenure and affordability is characterized by:
  - average incomes of £49,200, which is above the national average;
  - average lower quartile incomes of £18,758 in households with one LQ income and £37,516 in households with two LQ incomes); and
  - average house sale prices wholly unaffordable on average incomes (with an average resale home requiring on income of over £87,429 and a new build requiring on average an income of over £89,740, compared to an average local income of 49,200).
2. Households on two lower quartile incomes (as measured at overall local authority level) also cannot afford to own a property in Hatfield Peverel. The only tenures affordable to such households would be to rent (private, affordable or social rent) or a shared ownership home at the lowest share of ownership possible (10%). Those households on a single lower quartile income would on average not even be able to afford a social rented property without recourse to benefits. The differences in affordable rent and social rent are not very pronounced in the NA (£6,864 compared to £5,038 rent per year).
3. Hatfield Peverel has higher than national average levels of owner occupation (72.6%), lower percentages of private renting (10%) and slightly lower levels of social renting at 16%. Shared ownership makes up the smallest percentage of households, at 0.4%, which is a similar situation as across Dorset and England as a whole, but slightly lower. Social renting is the second most popular tenure after home ownership. In the intercensal period, the largest proportional increase was a 83% rise in private renting in Hatfield Peverel. At the same time in the NA, all other sectors contracted (a 30% fall in shared ownership and 6.3% decline in social rent), except owner occupation, which rose by 0.8%.
4. Those on average incomes who do not already own their own home or a large deposit, will not be able to afford to buy their own home in Hatfield Peverel, but they will be able to rent in the market. The only affordable ways to home ownership on an average income in Hatfield Peverel are either through shared ownership at 10 or 25% or through a discount market sale scheme, which would have to offer a minimum discount of at least 45%. 30 or 40% discount market sale schemes such as First Homes or 50% shared ownership would still be unaffordable on average incomes in the NA. Therefore, a discount level recommended for First Homes in the NA is the maximum of 50%, if this is viable.

5. The Braintree joint SHMA Update is not sufficiently detailed to provide data relating to affordable housing need in the NA specifically. The needs across the district appear rather different from those in the NA.
6. AECOM calculations, based on waiting list and affordable housing stock data received from BDC shows that, while there is a current backlog need for 26 affordable rented units in the parish, over the plan period it is expected that Hatfield Peverel will actually have a surplus of affordable housing of 4.8 units per year, equating to 82 units over the plan period. However, it is not a given that the units available will match the needs of those who require them. LPA bidding data shows a large number of bids being received for every affordable 2 and 3 bedroom affordable rented house.
7. As such, it is recommended that Hatfield Peverel considers encouraging the delivery of some affordable rented housing, particularly early in the Plan period, with the understanding that if this results in oversupply in future years, the vacancies created when existing occupants leave their properties could be used to satisfy new need from elsewhere in the district. Provisions may be best concentrated mainly on middle sized houses, with some smaller flats and a limited number of other housing types and sizes.
8. AECOM calculations also show that the potential demand for affordable housing for sale could in reality be much higher than the demand for affordable housing for rent. The result of the calculation is 8.6 households per annum who may be interested in affordable home ownership (or 142 for the entirety of the Plan period).
9. If the quantity of new housing overall were unlimited, 26 units of affordable rented housing to be front-loaded would be ideal, with 142 units of affordable housing for sale to be delivered over the plan period (this would equate to 168 units in total, with 16% as affordable rented and the remaining to 85% as affordable housing for sale), which would represent an appropriate affordable tenure mix.
10. If the Local Plan target of 40% Affordable Housing in rural areas were achieved on every site, an approximate maximum of 197-262 affordable homes might be expected in the NA across the plan period, based on an indicative housing requirement figure (HRF) from BDC of 492 to 656. (Note that the equivalent target for urban areas is 30%).
11. In the case of Hatfield Peverel, more units than in the indicative HRF range from BDC are already permitted or under construction on major sites. 485 dwellings are permitted for the next 5 years alone, which does not even include windfall sites or units permitted for construction after 5 years. This would technically be more than sufficient to satisfy the total potential demand for Affordable Housing identified here. However, as these units are already under construction, permitted or have an outline permission, their level of affordable housing provision and mix is already likely to be fixed within a planning permission from BDC.
12. Based on the information available on BDCs planning portal, taking as an example the four major permissions already under construction in Hatfield Peverel, out of the total permitted 180 units over the next 5 years already under construction (with 194 actually



permitted overall and under construction, due for completion over the plan period), a total of 78 affordable units are expected to be delivered (40%). Further units will be provided on other major permissions which are not yet under construction.

13. Therefore, while it is likely that the need for affordable housing is already being fully met in the NA over the plan period, HPPC are unlikely to have any say over the amount or mix delivered, as this is already permitted.
14. Note that this table assumes that most or all of the expected housing delivery in the NA will take place after the Government's proposal to temporarily lift the site size threshold for Affordable Housing has ended. If that period extends beyond the date on which the Neighbourhood Plan is made and also influences the rate of Affordable Housing delivery on relevant development sites, the quantity of Affordable Housing to be provided in the NA during the Plan period may be lower than the estimate below.
15. An indicative tenure mix has been provided, which could serve as a guideline for the breakdown of Affordable Housing tenures in Hatfield Peverel, based on various considerations and evidence. This proposes 90% of affordable homes be provided as rented tenures, and the remaining 10% delivered as affordable routes to home ownership. This is in conformity with the adopted and emerging Local Plan in delivering a minimum of 10% affordable housing as for sale. 25% of affordable housing would be provided as First Homes. This aligns with the direction of national policy, which includes a mandated minimum level of delivery of the Government's new First Homes affordable home ownership product.
16. The Local Plan does not stipulate a mix beyond an emerging policy requiring 10% affordable housing for sale. Therefore, a guideline mix of 10% rented to 90% ownership appears to offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally. This is what this HNA determines to be appropriate to meet Hatfield Peverel's needs specifically, not taking into account any role Hatfield Peverel is to play in meeting the needs of a wider area.

## 1.2 Conclusions- Type and Size

17. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby existing and planned / permitted stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
18. The key points from this chapter can be summarized as follows:
19. The dwelling mix in Hatfield Peverel is fairly varied with representation from all types of dwellings. Compared to the rest of the district and the country as a whole, the NA has a significantly higher proportion of bungalows and detached houses (18% and 35%

respectively), and also a slightly higher proportion of semi-detached dwellings (28%). Correspondingly, it has significantly fewer flats (8.5%) and terraced homes (9.5%). In the last ten years since the Census, this appears to not have changed very much.

20. The 2011 mix of Hatfield Peverel in terms of the size of dwellings shows that three size categories were then approximately equally predominant, with similar percentages of dwellings having 2, 3 or 4 bedrooms (30%, 34% and 31%). However, since then, based on data from 2020, this mix has changed a little. The already previously visible prominence of 3 bedroom homes increased further, making it more clearly the most common dwellings size at 40%. 1 and 2 bedroom dwellings still make up the same percentage of the total, with 5% and 30% respectively. However, homes with 4 or more bedrooms have declined as a proportion of the total housing supply to represent only 25% of the total.
21. Compared to the rest of the district and the country, the NA has significantly fewer 1 bedroom homes. Two bedroom homes make up a larger proportion in the NA than across the district and country. Three bedroom homes make up a slightly lower proportion than common across the district and nationally, and 4+ bedroom homes a higher proportion.
22. The age structure of Hatfield Peverel appears to have changed only very slightly since 2011, except for a marginally higher increase in 65-84 year olds (an increase of 4%). The biggest age group in the NA, both at the time of the Census and in 2019, is the 45-64 year olds, making up approximately 30% of the total population of the village. The country and district as a whole have younger populations, with more younger adults under 44 and children, and fewer persons aged 45 and above.
23. In Hatfield Peverel, the vast majority of households are family households (69%) rather than one person households (26%). Most of the family households have dependent children living with them (24% of all households). Within the family category, the second most common group is couples without children (20%). Family households where all members are over 65 or where all children are non-dependent (so older families) make up the same proportion (12% each). One person households aged 65 or over make up 15% and others make up roughly 12%.
24. In terms of occupancy, overall, households in Hatfield Peverel are more likely to be under-occupying than over-occupying their home (81% versus 19%). The highest under-occupancy rating in the NA (i.e. the highest number of spare bedrooms per home) is amongst the 65s and over, 85% of whom tend to have one or two spare rooms on average, with over half (52%) having two or more spare rooms. The age group that is most likely to be overcrowded is the younger adults under 50, of whom 10% over-occupy their home.
25. Under-occupation is most likely for the older households and those without children. All (100%) of family and couple households over 65 in the NA have one or more spare room and the majority of these (67%) having two or more spare rooms. This is followed

by couples who are married or in a civil partnership but without children. 98% of these households under-occupy their home, again with the vast majority (75%) having two or more spare rooms. This again is closely followed by cohabiting couples with no children, of whom 91% under-occupy, 52% with two or more spare bedrooms.

26. Over-occupation becomes more prevalent in households with children, particularly amongst those who are not married or in a civil partnership. This includes cohabiting couples with dependent children (8% over-occupying), lone parents (5% over-occupying), and foremost other households with dependent children, 31% of which over-occupy their home. 7% of other households without dependent children (such as full-time students etc) also over-occupy their homes.
27. This indicates that there would certainly be some room to free up larger properties by offering attractive downsizer housing in Hatfield Peverel to the over 65s. Those groups in most need for larger, more suitable properties are persons who are either lone parents or those sharing a dwelling with someone other than their family or married/civil partnership partner, with or without children.
28. The youngest households occupy the smallest dwellings, before progressively taking up larger homes as their families expand (with the largest properties occupied by those households with a reference person aged 40-59), and then more gradually downsizing to smaller homes again as they age. It is worth noting that amongst the older age groups, households generally never return to living in as a small a property as the youngest households occupy. Properties with 3 or more bedrooms continue to make up 40% of the stock occupied by the over 85s, while it only makes up half that proportion (20%) of the homes of the under 24s. An ample supply of suitable down-sizer accommodation may change this (older person's housing need is a subject which is covered in greater detail in the following chapter).
29. Population growth in Hatfield Peverel can be expected to be driven by the older households over the plan period, with 69% of growth expected in households with a reference person aged 65 or over, followed by households with a reference person aged 55-64. The proportion of all younger households in Hatfield Peverel is expected to shrink over the same period. The most extreme reduction will be seen in households with a reference person under the age of 24, who will decline by 21%. The two age groups representing the majority of working age adults between 25-64 are also due to decline by 5-6%. This means that Hatfield Peverel's population will age significantly. By 2038, 46% of households in the NA are projected to have a reference person aged 65 or over.
30. The model suggests that what the parish requires most in terms of new housing is homes with 3 bedrooms (suggested to make up 65% of new homes), followed by homes with 1 bedroom (23%), and finally with 2 bedrooms (12%). Based on our analysis, new homes with 4 or more bedrooms are not really required, as the supply of these compared to need is already ample. However, it is never advisable to restrict future housing delivery to selected size categories only. Therefore, this should not be applied fixedly and a mix of provision is always useful.

31. In the special case of Hatfield Peverel, taking into consideration that so much housing is already permitted and/or under construction, it may be worth further surveying the quantity and type of housing already permitted (some examples are given within the chapter and more are available through BDC's planning application search webpage<sup>1</sup> or by requesting the information from BDC), to see how this matches the quantity and type needed. This information should help to guide discussions and consultations.
32. The SHMA is deemed to be of limited use due to its age and the fact that needs across Braintree are not the same as in Hatfield Peverel specifically.

### 1.3 Conclusions- Specialist Housing for the Older People

33. As shown above, the current specialist accommodation offer is very significantly below the average offer available to older persons across the district, and even more significantly below what is recommended to be available (20.5 units available per 1,000 persons over 75 in the NA, compared to 144 units across Braintree and 170 units recommended).
34. Hatfield Peverel's population has a significantly higher than average proportion of over 65 and over 75 year old persons and households. The proportion of older and single older households, as well as of persons with health issues and/or a disability, is further projected to increase over the plan period.
35. The current offer of specialist housing, of only 12 units in one scheme, is very homogenous with 100% of the units available being for social rent, all offering either 1 and 2 bedrooms, no care, and no choice of scheme. In contrast, there is a high and rising proportion of older persons in the NA, with an increasing proportion who will require care at some point in their lives (although not all older persons will). Furthermore, the majority of older persons in the NA are owner occupiers rather than social renters (with 4 times as many households likely to wish to own outright rather than occupy affordable/social rented properties) and have a tendency to under-occupy larger units.
36. 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.
37. These two methods of estimating the future need in Hatfield Peverel produce a range of between 133 and 165 specialist accommodation units that might be required during the Plan period, with the majority in both models projected to be needed as adaptations, sheltered, or retirement living (57- 71%), but also a significant proportion needed as Extra Care or other accommodation offering care (29-43%). These estimates are based on the projected growth of the older population, thereby assuming that today's older

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<sup>1</sup> At <https://www.braintree.gov.uk/planning-building-control/view-comment-planning-applications>

households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. In Hatfield Peverel it is very likely that at least some older households are not already appropriately accommodated, considering the low and homogenous offer of older persons' accommodation available per head of population. Therefore, it is likely there will be a backlog of demand, which would justify provision at the higher end of the range presented.

38. It is not known to AECOM whether any of the large number of schemes already permitted and/or under construction in the NA will meet some of this need. Within BDCs 5-year housing supply report, no schemes are marked as delivering net additional specialist older persons' housing. HPPC may wish to contact BDC to discuss whether they know of any appropriate schemes in the pipeline and whether they are likely to meet the needs evidenced above for a greater volume and variety of older persons' accommodation in Hatfield Peverel. If not, alternative forms of delivery, such as community-led or self-build schemes could be facilitated by the NP plan steering group.
39. In terms of tenure, approximately half of all units with care (48%) are likely to be needed as affordable, and half as market provision. For adaptations, sheltered or retirement living accommodation, just under a third (27%) is needed as affordable housing, with the remaining two thirds as market housing. Note that HPPC is unlikely to be able to set the tenure of such provision, as this is usually decided by the Local Plan general affordable housing policy (e.g. adopted CS 2 Affordable Housing and emerging LLP 33 Affordable Housing). However, as the only known supply of specialist older persons housing is all for social rent, the NP might want to encourage filling the gap in the market, such as for older persons' housing for market and / or affordable sale. As the main unmet need in the NA is for market sheltered housing, some of this need might also be satisfied by making sure all new housing is accessible and adaptable for people with lower support needs.
40. Given that it is unclear whether sufficient volume and variety of additional specialist supply will become available during the Plan period, as a high volume of development is already committed but none of it is known to be specialist housing, an avenue open to the Neighbourhood Plan is to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan or the made NP, and to encourage the adaptation of existing properties through grant schemes and other means. However, it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock.
41. Adopted Local Plan policies RLP 19 Sheltered Housing and RLP 22 Accessible Housing and Lifetime Housing, as well as made NP policies HO1 and HO2, and emerging Local Plan policy LLP 35 Specialist housing all provide encouragement for development to accommodate specific groups such as older people and for new dwellings to be capable of adaptation to meet the needs of people with disabilities. The made HPNP's Policy HO2 also requires that at least one unit in 10 on major developments meets the national standards for wheelchair users (Category M4(3)). The evidence gathered here would

appear to justify this target, as well as justify potentially adding a higher target in the Neighbourhood Plan on accessibility and adaptability (Category M4(2)), if this has the support of the LPA.

42. It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs (current a 10% requirement for all major development and a 100% requirement for specialist accommodation) might be reviewed with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey.
43. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
  - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
  - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
  - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
44. This is already acknowledged through the requirements of made HPNP policy HO2.
45. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
46. As the NA is a semi-rural area, containing two villages and surrounding rural areas and no towns, but has access to some services and its own station at Hatfield Peverel as well as bus connections from the parish to Chelmsford and other destinations, it is considered that Hatfield Peverel may, in broad terms, be a reasonably suitable location for specialist accommodation on the basis of the accessibility criteria. However, on the basis of cost-effectiveness it may be a less suitable location. As such, there is potential for specialist accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Hatfield Peverel in other suitable locations near to but outside the Plan area boundaries).
47. Where it is considered for any reason desirable or likely more viable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself.

48. It is worth noting that recent planning approvals in the parish have occupied sites within or adjacent to the development boundary at many of the closest points in terms of access to facilities, leaving potentially fewer options that are suitable on those terms.
49. If all the accommodation was provided in a nearby larger settlement such as Chelmsford or Witham to meet the specialist housing need arising from the Neighbourhood Plan area, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would not overlap.
50. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life. Partnership working with other parish and town councils and with BDC is also recommended in ensuring need is adequately catered for, offering sufficient volume and choice to Hatfield Peverel residents.

## **2. Context**

### **2.1 Local context**

51. Hatfield Peverel is a Neighbourhood Plan area located in the administrative boundary of Braintree District Council in Essex. The original Neighbourhood Area (NA) boundary followed the parish boundary and was designated in 2015 and altered in 2020.
52. The parish already has a Neighbourhood Plan (NP), 'made' (or adopted) in 2019, which is currently undergoing review due to a change in boundary made in 2020, and also to bring the NP in line with the new Local Plan, to allocate sites, to address housing need issues, and to set out design guidance. The NP review is being prepared by the Executive Committee of the Parish Council, referred to simply as Hatfield Peverel Parish Council (HPPC) or as the neighbourhood planning group for the purposes of this report.
53. The current plan period of the made Hatfield Peverel Neighbourhood Plan (HPNP) extends to 2033. The proposed new Neighbourhood Plan period is not yet confirmed, but currently assumed to start in 2021 and extend to 2038, therefore comprising a proposed plan period of 17 years. The evidence supplied in our report will use this assumed timeframe and look forward to the Plan end date of 2038, adding 2033 as an additional benchmark date where appropriate. Where possible, it will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
54. The NA is a semi-rural area, which includes two centres of population, namely the villages of Hatfield Peverel itself and of Nounsley approximately a quarter of a mile to the south, as well as surrounding rural areas. It is located between Chelmsford, Witham and Maldon. The A12 and the Greater Anglia railway line from London to Norwich bisect the NA, with a station at Hatfield Peverel, approximately in the centre of the NA. There

are also bus connections from the parish to Chelmsford, Witham, Colchester and Maldon.

55. The NA has seen a considerable number of permissions being granted in recent years and HPPC reports issues associated with air quality and traffic (acknowledged by BDC in the Sustainability Appraisal and Strategic Environmental Assessment for site allocations, February 2014), as well as concerns about loss of village character and growth exceeding targets.
56. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units called Output Areas. Data can be interrogated on the basis of either, or a combination of, the following geographies at different scales: Output Areas (OAs), Lower Super Output Areas (LSOAs), Middle Layer Super Output Areas (MSOAs), Parishes and/or Districts. The Plan area equates to the following geographies, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from the 2001 Census:
  - LSOA - GSS E01021394 – NOMIS 1275089810;
  - LSOA - GSS E01021395 – NOMIS 1275089811; and
  - LSOA - GSS E01021396 – NOMIS 1275089812.
57. For the 2011 Census, Hatfield Peverel data can be interrogated for the Parish as a geographical unit instead:
  - Parish – Hatfield Peverel – NOMIS 1170213774.
58. The statistics show that in the 2011 Census the NA had a total of 4,376 residents, formed into 1,813 households and occupying 1,820 dwellings. Hatfield Peverel's population makes up 3% of the total district population of 147,084 persons. The Office for National Statistics (ONS) also produces mid-year population estimates for parishes and wards throughout the country<sup>2</sup>. The mid-2019 population estimate for Hatfield Peverel is 4,251 – indicating a decline in population of around 125 individuals since 2011. However, it is worth noting that this 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<sup>3</sup>. From 2001 to 2011, Hatfield Peverel grew by 46 dwellings.
59. The Valuation Office (VOA) gathers data from council tax receipts on the dwelling mix in various areas each year. Based on this VOA data, Hatfield Peverel is shown as consisting of 1,890 dwellings currently, indicating an increase of 70 dwellings since

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<sup>2</sup> At

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/adhocs/12324parishpopulationestimatesformid2001tomid2019basedonbestfittingofoutputareastoparishes>

<sup>3</sup> See Section 16 on Strengths and Limitations on ONS population estimates webpage:

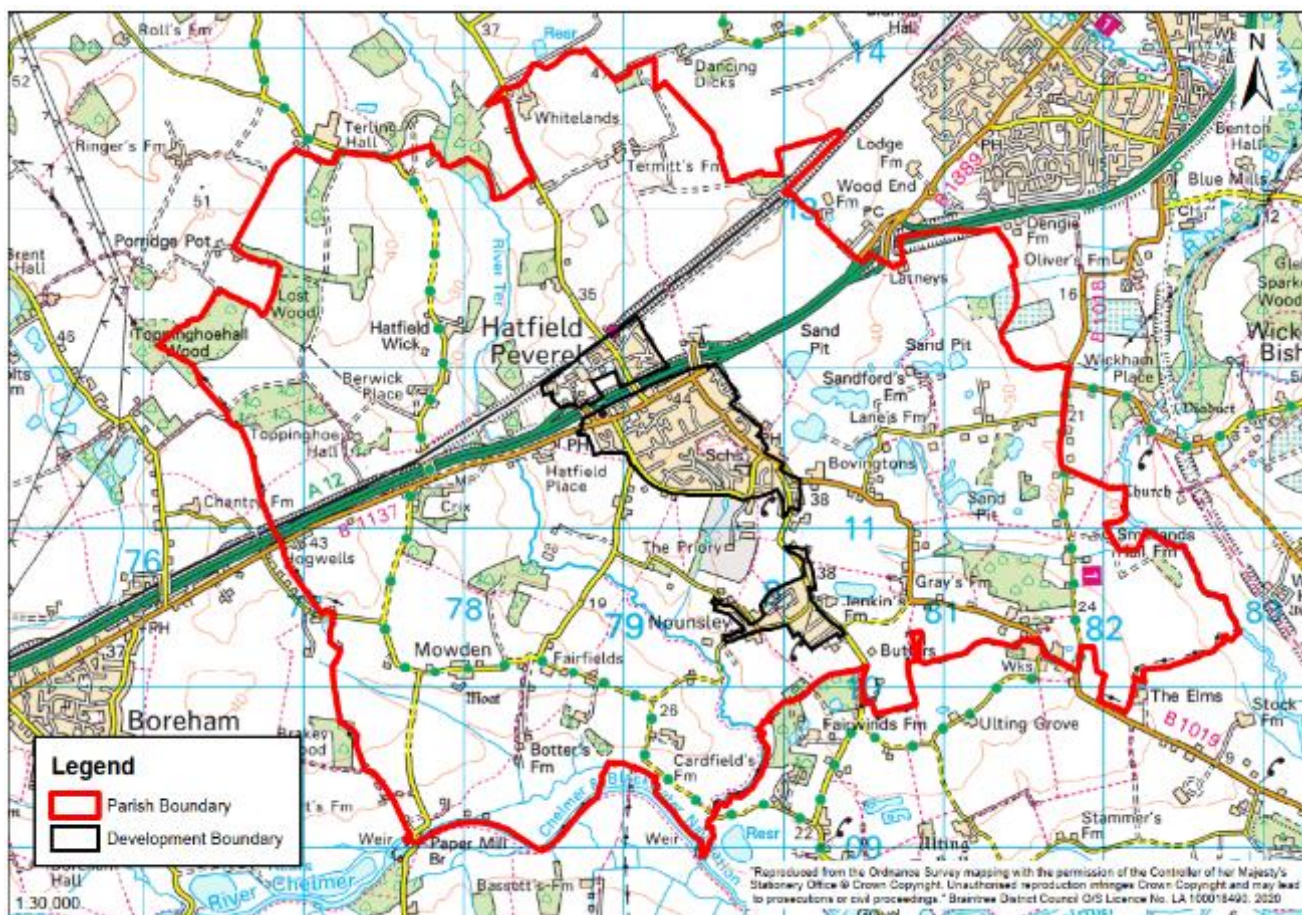
<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest#strengths-and-limitations>



2011. This, while not a significant increase, is nevertheless not consistent with the population decline estimated by the ONS for the parish. This projected decrease is therefore unlikely to be correct.

- 60. A map of parish boundary (as of 2020) appears below in Figure 2-1. Please note that the previously made Neighbourhood Plan established a settlement boundary. However, a BDC successfully applied to the Boundary Commission for England to modify the political boundary so that the land known as Woodend Farm was assigned to Witham Town (and is now a strategic growth area for 375 new dwellings). The designated NA was subsequently amended to match the new political boundary.
- 61. There is an issue with the new boundary not aligning with the parish or Census boundary, which affects data availability. However, as the difference in the boundary is minimal because the land in question was predominantly farmland, AECOM judge the use of the previous NP boundary for the purposes of data collection, for which datasets are available, to be appropriate. This aligns with the parish and LSOAs listed above.

**Figure 2-1: Map of the 2020 Hatfield Peverel Neighbourhood Plan area<sup>4</sup>**



Source: Braintree District Council Website

<sup>4</sup> Available at <https://www.braintree.gov.uk/downloads/file/1973/hatfield-peverel-parish-boundary>

## 2.2 Planning policy context

62. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.<sup>5</sup> In the case of Hatfield Peverel, the relevant adopted statutory development plan consists of a number of documents:

- The adopted Braintree District Core Strategy (2011)<sup>6</sup>;
- The adopted Braintree District Local Plan Review (2005)<sup>7</sup>;
- The adopted North Essex Authorities Shared Strategic Section 1 Plan (also called the Braintree District Local Plan Section 1) 2013- 2033 (2021)<sup>8</sup>; and
- The made Hatfield Peverel Neighbourhood Plan (2019)<sup>9</sup>.

### 2.2.1 Policies in the adopted development plan

63. Table 2-1 below summarises the adopted development plan policies that are relevant to housing need and delivery in Hatfield Peverel. This includes policies from the adopted Local Plan documents and from the made HPNP.

**Table 2-1: Summary of relevant adopted policies in the adopted development plan documents**

Document	Policy	Provisions
Local Plan Review 2005	RLP 2 Town Development Boundaries and Village Envelopes	New development is to be confined to areas within development boundaries / village envelopes. Housing sites with capacity for 12 or more dwellings are shown on the Proposals map / Appendix 1.
Local Plan Review 2005	RLP 3 Development within Town Development Boundaries and Village Envelopes	Within development boundaries/envelopes, residential development will only be permitted if it satisfies a number of listed criteria.
Local Plan Review 2005	RLP 4 Prevention of Town Cramming	Within development boundaries/ village envelopes, development on open areas which fulfil one of a list of functions will not be permitted.
Local Plan Review 2005	RLP 6 Affordable Housing in Rural Areas	Affordable housing schemes which meet listed criteria will be permitted on sites outside of but adjacent to village envelopes, subject to a number of criteria, including that the development must provide affordable housing to meet a local need proven to the satisfaction of the District Council and that it should cater exclusively for said local need.
Local Plan Review 2005	Policy RLP 7 Housing and Mixed Use Sites	Where appropriate, a mix of different house types and tenures and other uses, compatible with the residential amenities, should be included having regard to size, location, suitability and economics of provision.
Local Plan Review 2005	Policy RLP 8 House Types	The provision of a range of house types and sizes will be sought between and within sites, in order to meet local needs of different household types.

<sup>5</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>6</sup> Available at <https://www.braintree.gov.uk/downloads/file/2204/bdc-core-strategy>

<sup>7</sup> Available at [http://www.planvu.co.uk/bdc/policies\\_written.htm](http://www.planvu.co.uk/bdc/policies_written.htm)

<sup>8</sup> Available at <https://www.braintree.gov.uk/downloads/file/3022/local-plan-2013-2033-section-1-adopted-febraury-2021->

<sup>9</sup> Available at <https://www.braintree.gov.uk/planning-building-control/neighbourhood-planning/5>

Document	Policy	Provisions
Local Plan Review 2005	Policy RLP 10 Residential Density	The density and massing of residential development will be related to access to public transport and services, site and surrounding characteristics, transport access and capacity, and space for parking, landscaping, open space and biodiversity.
Local Plan Review 2005	RLP 19 Sheltered Housing	Proposals for sheltered housing for elderly people are considered against a list of criteria including on access to / capacity for parking, open space, facilities, and infrastructure for wheelchairs etc.
Local Plan Review 2005	RLP 22 Accessible Housing and Lifetime Housing	Where appropriate, new dwellings will be required to be capable of adaptation without major structural alterations to meet the needs of people with disabilities, including wheelchair users.
Core Strategy 2011	CS 1 Housing Provision and Delivery	Note that this policy has been superseded by the Local Plan S1 and is reviewed here only as context for how housing numbers and distribution have evolved over time.  The policy plans for a minimum of 4,637 new dwellings between 2009 and 2026. This is distributed among key growth areas and settlement categories, with Key Service Villages (including Hatfield Peverel) allocated a target of 600 homes.
Core Strategy 2011	CS 2 Affordable Housing	Subject to viability, in rural areas (including the NA), affordable housing should be provided on site with target of 40% (threshold is 5 dwellings / 0.16ha); off site or in lieu contributions accepted if on-site is impractical.
Core Strategy 2011	CS 5 The Countryside	Development outside development boundaries / village envelopes will be strictly controlled and limited to appropriate uses.
Core Strategy 2011	Appendix 3 Settlement Hierarchy (not a policy)	This appendix (not a policy but relevant) sets out the settlement hierarchy which classes Hatfield Peverel as one of the 'Key Service Villages' and Nounsley as one of the 'Other Villages'. There are no towns in the NA.
Local Plan S1 2021	SP 3 Spatial Strategy for North Essex	Existing settlements: principal focus for growth to be met in or adjacent to boundaries according to settlement scale, role & sustainability.
Local Plan S1 2021	SP 4 Meeting Housing Need	Braintree housing requirement 2013-2033 is 14,320 (716 per annum). The LPA will identify sufficient deliverable sites to meet this.
Made HPNP	HO1 Design of New Housing Developments	Developments are appropriate if they can meet a range of criteria incl. provision of a mix of housing types for a socially inclusive community; density should be subject to design / surrounding area / environment; at least 1 wheelchair unit per every 10 units is required on 10+ unit developments; consideration of changing needs & building to Lifetime Homes standards in line with national guidance;
Made HPNP	HO2 Retirement Housing	Proposals for retirement housing should have regard to a list of criteria.

## 2.2.2 Policies in the emerging local plan

64. Braintree District Council (BDC) are currently in the process of Examination for the emerging Local Plan to 2033 section 2<sup>10</sup>. Once this is adopted, together with the adopted Local Plan section 1 (above), this will replace the adopted 2011 Core Strategy and 2005 Local Plan Review.

<sup>10</sup> Available at <https://www.braintree.gov.uk/planning-building-control/neighbourhood-planning/5>

65. The Local Plan is supported by housing evidence including a Strategic Housing Market Assessment (SHMA) Update from 2015<sup>11</sup> and an Objectively Assessed Housing Needs Study update from 2016<sup>12</sup>.
66. Table 2-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Hatfield Peverel.

**Table 2-2: Summary of relevant emerging policies in Braintree District Local Plan section 2**

Document	Policy	Provisions
Draft Local Plan S 2	Section 5 spatial strategy (not a policy)	This section (not a policy but relevant) sets out the proposed new settlement hierarchy in which Hatfield Peverel is still a key service village (where development may be considered sustainable subject to the specific constraints / opportunities of the village). Nounsley is now a Third Tier settlement (where, when considering the tests of sustainable development, these will not normally be met by development). There is still no town within the NA.
Draft Local Plan S 2	LLP 1 Development Boundaries	Within development boundaries, development will be permitted where it satisfies a range of stated criteria. Development outside development boundaries will be strictly controlled to uses appropriate to the countryside.
Draft Local Plan S 2	LLP 17 Housing provision and delivery	The Council will plan, monitor and facilitate the delivery of a minimum of 14,320 new homes between 2013 and 2033. These homes will be located primarily in the Main Towns and Key Service Villages and on strategic growth locations. <sup>13</sup>
Draft Local Plan S 2	LLP 31 Comprehensive redevelopment area - land between A 12 and GEML, Hatfield Peverel	Criteria are set out for a mixed used development of up to 200 dwellings on the former Arla Dairy site, plus a further 45, 20 and 20 dwellings on three associated smaller sites. Development here is expected to make a number of provisions including affordable housing as per Council policy.
Draft Local Plan S 2	LLP 33 Affordable Housing	Subject to viability, on site affordable housing provisions are expected in line with a target of 40% in the NA and a threshold of 11+ dwellings / 1,000 gross internal floorspace; 10% of all homes should be for affordable home ownership incl. starter homes and shared ownership, with a mix subject to identified local needs. In-lieu contributions may be accepted if on / off site impractical. Mix should reflect current local need.
Draft Local Plan S 2	LLP 34 Affordable Housing in Rural Areas	In rural areas, schemes to provide affordable housing will be permitted, providing that all listed criteria are met including a requirement for development being adjacent to development boundary with reasonable access to services etc, and the settlement having a population of less than 3,000 and proven local need for affordable housing exists which cannot be met within the boundary, and no more than 30% market housing should be provided to support viability, and development should be for less than 15 dwellings.

<sup>11</sup> Available at <https://www.braintree.gov.uk/downloads/file/485/shma-document>

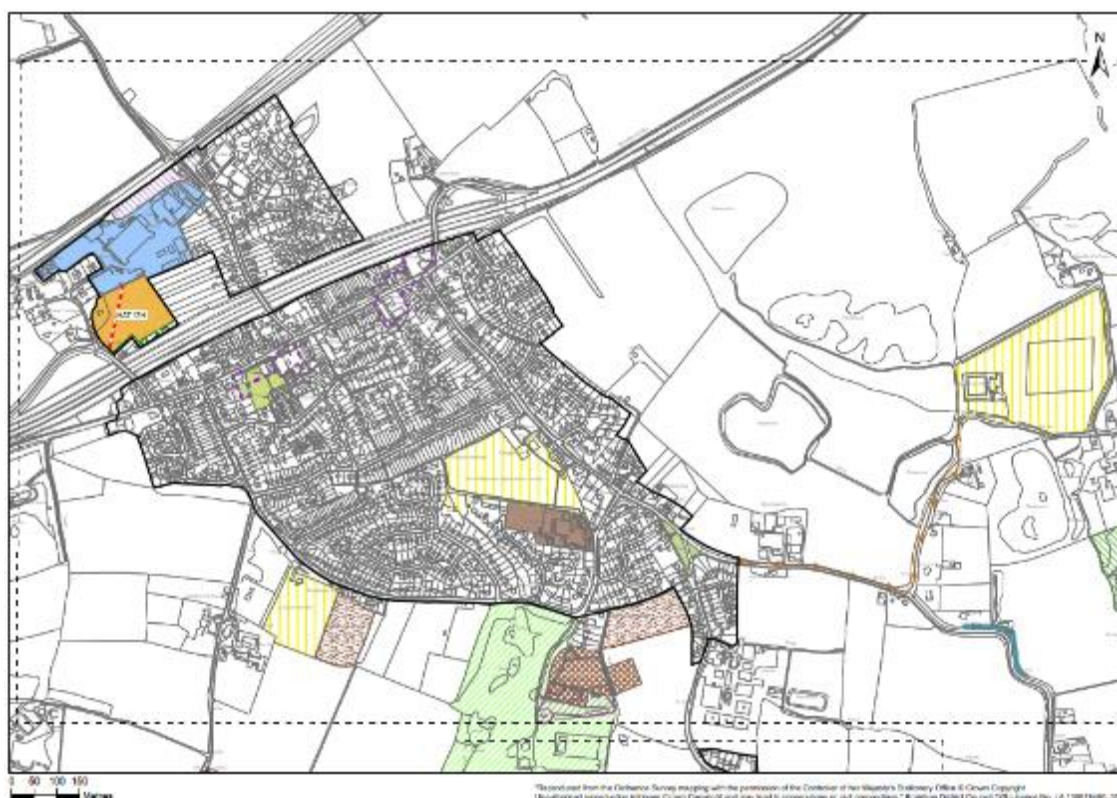
<sup>12</sup> Available at <https://www.braintree.gov.uk/downloads/file/1555/objectively-assessed-housing-need-study-update-2016>

<sup>13</sup> The Planning Inspectors appointed to examine the Local Plan S 2 asked BDC to prepare a topic paper on housing to reflect changes in the land supply position since the Plan was submitted. This was published in April 2021. In it, it is recognised that a difference in the mortality rate for population projections resulting in 92 fewer household forming in the district per year may mean that the housing requirement of 716 dwellings per year set in the Local Plan S 1 may be above the objectively assessed need. It has been determined that this is not a sufficiently meaningful change to warrant a review of the housing requirement, but it remains useful context for both Braintree as a whole and Hatfield Peverel's needs.

Document	Policy	Provisions
Draft Local Plan S 2	LLP 35 Specialist housing	Specialist housing for elderly, disabled, young or vulnerable adults, which may include elements of care/support will be permitted on allocated sites within development boundaries subject to listed criteria including around access to services, health care, parking, amenity space etc. new specialist housing on unallocated sites in the countryside will not be supported. One specialist housing allocations, no general needs housing will be permitted.
Draft Local Plan S 2	LLP 37 Housing Type and Density	Development should seek to create sustainable, inclusive and mixed communities through providing a mix of house types and size at an appropriate density for the area, which reflects local need and subject to a list of criteria. Housing mix should be in line with identified local need as set out in 2015 SHMA update or in its successor unless material considerations indicate otherwise. 10% of new market homes on sites of 10 or more dwellings must meet category 2 or 3 of part M of Building Regulations 2015 as appropriate. 10% of new affordable homes on all sites must meet category 2 or 3 of part M of Building Regulations 2015 as appropriate. On sites of 500 dwellings or more, 2% of homes will be required to be available for self or custom builders.

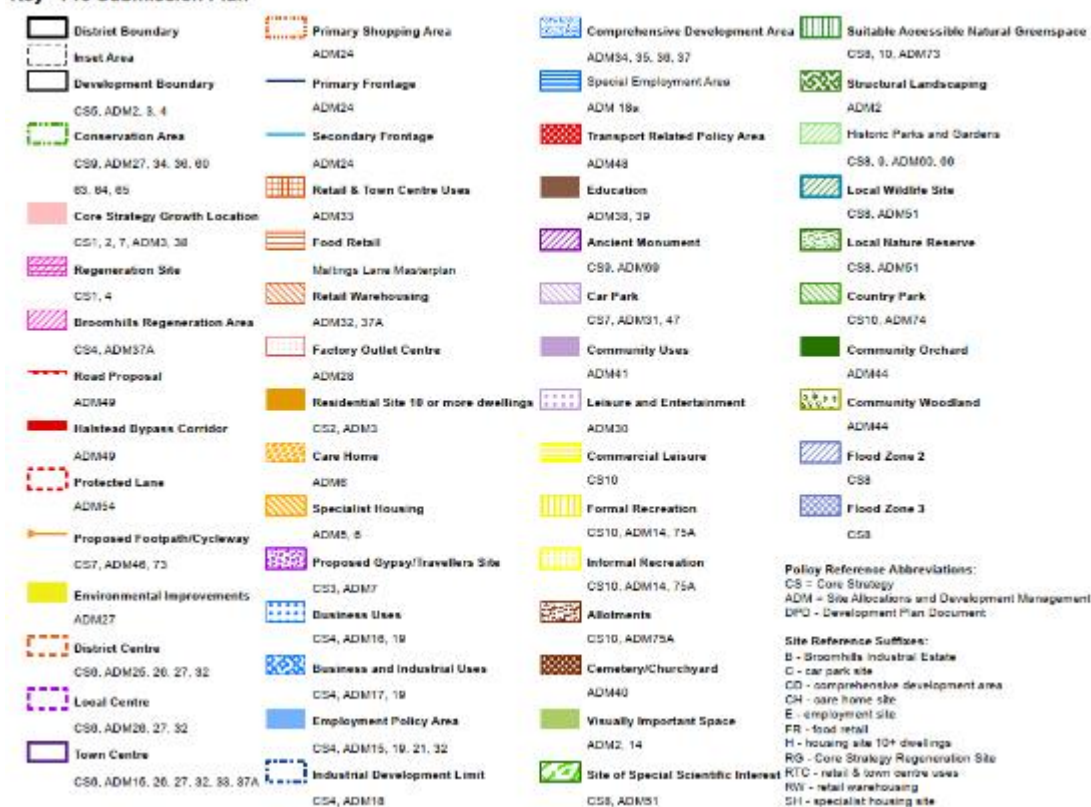
67. Hatfield Peverel is shown on the draft Local Plan Section 2 Pre-submission Proposals Map Inset 36.

**Figure 2-2: Draft Local Plan S2 Pre-submission Proposals Map Inset 36<sup>14</sup>**



<sup>14</sup> Available at <https://www.braintree.gov.uk/downloads/file/2612/map-36-hatfield-peverel>

**Key - Pre Submission Plan**



**2.2.3 Quantity of housing to provide**

- 68. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
- 69. BDC has fulfilled that requirement by providing HPPC with an indicative range of 492 to 656 dwellings to be accommodated within the Neighbourhood Plan area in a letter dated 31st July 2020. The 492 figure is for the current plan period, with the higher figure of 656 applying in the event that the plan is extended to 2038. The range used throughout this report reflects that uncertainty.
- 70. In this letter, the local authority states that they are not in a position to provide a specific housing figure at this time as the draft publication Local Plan is at an advanced stage, albeit a review will most likely be carried out relatively promptly.
- 71. Whilst BDC was unable to give a specific figure as set out above, in terms of an indicative figure BDC considered it appropriate for the Neighbourhood Plan to have a target which reflects the current level of sites with planning permission in Hatfield Peverel up to 2033 and an estimate of growth between 2033 and 2038. The current level of permissions in the parish at the time of the letter were stated to be 492, which represents around 36 homes per year for the period up to 2033. An additional 36 homes per year is suggested by BDC to take the plan period to 2038.

72. BDC therefore consider a target of between 492 to 656 homes minimum up to 2038 as appropriate.
73. BDC also states that alternatively, a housing needs assessment could be commissioned by the neighbourhood plan group. This is the action HPPC have chosen and the results of the assessment are summarized in this report.
74. Finally, BDC stated in the letter that while the identified housing need could be provided for through policies in the Neighbourhood Plan, a call for sites exercise would be supported by BDC officers and would provide the neighbourhood plan with options for where its identified need could be specifically allocated, as it would enable the neighbourhood plan to consider available options for meeting the identified housing need within the parish.
75. However, in practice, development pressure if it were to continue at the present level in the area may mean that many more homes are likely to be built in the NA. Braintree's Five year supply housing trajectory 2021-2026 shows that in Hatfield Peverel, in 2021-26:
  - on the four sites under construction at January 2021, 180 units are expected to be delivered;
  - on the seven sites with full planning permission which are not yet under construction, 165 units are permitted;
  - on the one site with outline permission for major development, 140 units are due to be delivered; and
  - on the only C2 communal accommodation rooms permission granted, a net yield of 25 rooms is expected.
  - In addition, a further application for 110 dwellings has since been granted outline planning consent.
76. This totals to 620 dwellings over 5 years on sites under construction or with permission or outline permission only and does not include windfall or communal accommodation. When taking into account further permissions that cover delivery after the 5 years, the number is even higher, and there are may to be other smaller permissions that are not captured in this summary of major sites. The annual expected minimum rate of construction is therefore at least 124 dwellings, showing the significant development pressure in this location (if this was sustained over the plan period to 2038, a total of 2,108 units would be delivered).
77. Technically, based on the number of units already permitted and/or under construction in the NA, depending on where in the indicative range BDC place the final housing requirement figure (HRF) for Hatfield Peverel, the village should have little or no outstanding housing requirement over its neighbourhood plan period. The current outstanding permissions in fact exceed the target of 492 for the existing plan period.

These matters should be discussed with BDC, as they have a significant impact on the level of influence that HPPC may or may not have over future housing delivery, affordable housing delivery and tenure mix.

78. The Local Planning Authority have requested that it be noted that under the Local Plan being examined under NPPF 2012 there is no Parish allocation for affordable housing, it being a District need. However they acknowledge that under the latest version on the NPPF 2021 the agreed housing number for the Parish as set out in this report, would fairly and reasonably include their allocation for affordable housing.



## 4. Approach

### 4.1 Research Questions

79. The following research questions were formulated at the outset of the research through discussion with the Hatfield Peverel Neighbourhood Plan Parish Council (HPPC). They serve to direct the research and provide the structure for the HNA.

#### 4.1.1 Tenure and Affordability

80. The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.

81. This evidence will allow Hatfield Peverel to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.

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

83. HPPC are also interested in what size and types of affordable homes are specifically most affordable at local incomes, due to a concern about local residents being priced out of the market by new arrivals of commuters with higher incomes to the area.

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

#### 4.1.2 Type and Size

84. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community.

85. The aim of this research question is to provide neighbourhood planners with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.

86. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends.

87. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline

scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

#### 4.1.3 Specialist Housing for Older People

88. 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.
89. Regarding specialist housing, HPPC are particularly interested in establishing need for a more ambitious policy on adaptable and accessible dwellings (meeting category 2 or 3 of part M of Building Regulations), including dwellings suitable for wheelchair users.

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

## 4.2 Relevant Data

90. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from the 2011 Census and a range of other data sources, including:
  - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
  - ONS population and household projections for future years;
  - Valuation Office Agency (VOA) data on the current stock of housing;
  - Land Registry data on prices paid for housing within the local market;
  - Rental prices from Home.co.uk;
  - Local Authority housing waiting list data;
  - The SHMA Update 2015 (note that this is now considered relatively dated and therefore drawn on to a lesser degree);
  - The Braintree Local Plan Annual Monitoring Report 2019-2020;
  - Braintree Housing Strategy 2016<sup>15</sup>;
  - Braintree's 5 Year Housing Land Supply Statement 2021-2026<sup>16</sup>;

<sup>15</sup> At

<https://braintree.cmis.uk.com/braintree/Document.ashx?czJKcaeAi5tUFL1DTL2UE4zNRBcoShgo=uXspn45s2T199z80mjkS8iWLP9DoPzAz6%2BnuTYH3pgACl%2B2mfWoAww%3D%3D&rUzwRPf%2BZ3zd4E7lkn8Lyw%3D%3D=pwRE6AGJFLDNlh225F5QMaQWCtPHwdhUfCZ%2FLUQzqA2uL5jNRG4jdQ%3D%3D&mCTIbCubSffXsD>

<sup>16</sup> At <https://www.braintree.gov.uk/downloads/file/3149/housing-land-supply-statement-2021-2026-may-2021>

- Braintree's Housing Action Plan<sup>17</sup>; and
  - The Housing StatNav Key Housing Needs Statistics Snapshot document for Hatfield Peverel (dated January 2021), provided to HPPC by BDC (as well as the associated Guide to Key Housing Needs Statistics – Larger villages, published by BDC in January 2021<sup>18</sup>).
91. More recent data sources for the population and existing housing stock will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the tenure of dwellings, cannot be accurately be brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

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<sup>17</sup> At <https://www.braintree.gov.uk/directory-record/5934/housing-action-plan>

<sup>18</sup> At <https://www.braintree.gov.uk/housingstatnav/downloads/file/58/guide-to-key-housing-needs-statistics-larger-villages>

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

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

### 5.1 Introduction

92. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
93. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
94. The definition of Affordable Housing set out in the 2021 NPPF makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently introduced a new product called First Homes.<sup>19</sup>
95. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:
- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
  - The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
  - After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;

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<sup>19</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>. Note that First Homes formally come into effect from 28 June 2021, and Local and Neighbourhood Plans that have reached an advanced stage of development by that date may not need to reflect these changes. However, it is advisable for all plans in process to reflect the direction of policy changes where possible.

- 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.

## 5.2 Current tenure profile

96. The current tenure profile is a key feature of the Neighbourhood Plan 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.
97. Table 5-1 below presents data on tenure in Hatfield Peverel compared with Braintree and England from the 2011 Census, which is the most recent available source of this information.

**Table 5-1: Tenure (households) in Hatfield Peverel, 2011**

Tenure	Hatfield Peverel	Braintree	England
Owned; total	72.6%	68.6%	63.3%
Shared ownership	0.4%	0.6%	0.8%
Social rented; total	15.7%	16.5%	17.7%
Private rented; total	9.7%	13.2%	16.8%

Sources: Census 2011, AECOM Calculations

98. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Hatfield Peverel the private rented sector (PRS) expanded by 83.3% in that period, a rate of growth that is similar to that seen across England (82.4%). However, the increase in the PRS across the district was even more pronounced at 157.5%. At the same time

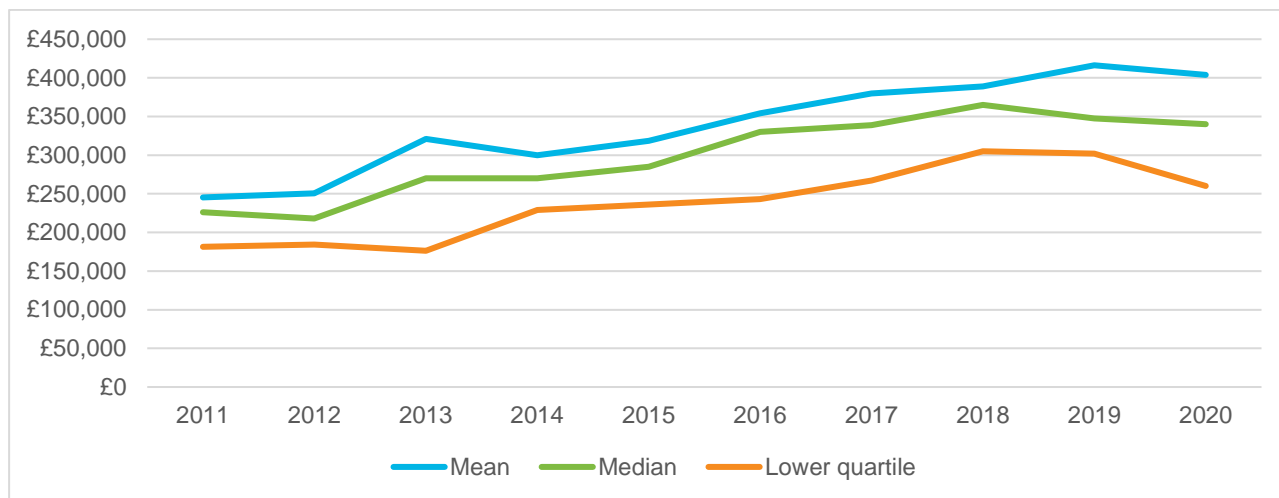
in the NA, all other sectors contracted except owner occupation, which only rose by 0.8%, with a 30% fall in shared ownership and 6.3% decline in social rent.

## 5.3 Affordability

### 5.3.1 House prices

99. 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.
100. Figure 5-1 below looks at selected measures of house prices in Hatfield Peverel. It shows that house prices have been rising steadily from an average (mean price) of £245,300 in 2011 to £403,761 in 2020, albeit with a slight decrease in the final year from 2019-2020. Overall, while this represents a significant increase at 65%, this is not as steep a rise as has been seen in other parts of the wider South East of England with high housing pressures.
101. The median (the “middle” value in the list of house prices arranged from least to most) has shown a similar but slightly lower trajectory than the mean (average), with increasing divergence between the two since 2018. This is the characteristic of a housing market which has a slightly larger number of house prices at the lower end and slightly fewer house prices at the higher end. In this case, the median, which is the middle number when you sort the data from smallest to largest, lies in the lower range of values (where more of the house prices are). Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end (as in, the smaller number of more expensive homes) cause the mean to increase, making it higher than the median.
102. The increasing divergence between the mean and the median since 2018 points towards more homes being built at the lower end of values from 2018-2020. This matches the fact that lower quartile house prices were largely static from 2011-2013 and again from 2018 to 2019, rising from 2013-2018 and then falling again between 2019 and 2020.

**Figure 5-1: House prices by quartile in Hatfield Peverel, 2011-2020**



Source: Land Registry PPD

103. Table 5-2 below breaks down house prices by type. It shows that the greatest price increase was experienced at the higher value end, with detached house prices increasing by 86%, well above the average price increase, followed by a 43% increase in the price of semi-detached houses. Prices of terraced homes have grown less quickly at 22%, and the average price of flats has actually fallen by just over 3%. As above, there appears to be greater pressures at the more constrained higher end of the market, with sufficient homes apparently being provided at the lower end to prevent pressure on prices.

**Table 5-2: House prices by type in Hatfield Peverel, 2011-2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	PRICE GROWTH
Detached	£314,600	£339,257	£446,571	£368,102	£426,591	£461,831	£478,722	£505,420	£495,271	£586,052	86.3%
Semi-Detached	£221,611	£208,417	£228,627	£247,678	£279,263	£308,887	£291,587	£314,884	£338,708	£316,750	42.9%
Terraced	£188,843	£195,143	£190,428	£188,999	£224,333	£243,000	£282,500	£280,856	£285,900	£229,583	21.6%
Flats	£157,500	£120,000	£102,590	£141,332	£141,166	£174,916	£225,917		£200,833	£152,188	-3.4%
<b>All Types*</b>	<b>£245,300</b>	<b>£250,644</b>	<b>£320,820</b>	<b>£299,910</b>	<b>£318,566</b>	<b>£354,186</b>	<b>£379,886</b>	<b>£389,068</b>	<b>£416,268</b>	<b>£403,761</b>	<b>64.6%</b>

Source: Land Registry PPD

### 5.3.2 Income

104. 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.
105. 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 before housing costs locally was £49,200 in 2018. A map of the area to which this data applies is provided in Appendix A.

106. 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. BDC's gross individual lower quartile annual earnings were £18,758 in 2018. To estimate the income of households with two lower quartile earners, this figure is doubled to £37,516.
107. 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.

### 5.3.3 Affordability Thresholds

108. 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.
109. AECOM has determined thresholds for the income required in Hatfield Peverel to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
110. 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.
111. Table 5-3 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.
112. The same information is presented as a graph in Figure 5-2 on a subsequent page, with selected measures from the table presented for clarity.



**Table 5-3: Affordability thresholds in Hatfield Peverel (income required, £)**

Tenure	Mortgage Value	Rent	Income required	Affordable on mean incomes?	Affordable on LQ 1 incomes?	Affordable on LQ 2 incomes?
<b>Market Housing</b>						
Median House Price	£306,000	-	<b>£87,429</b>	No	No	No
LA New Build Mean House Price	£314,090		<b>£89,740</b>	No	No	No
LQ/Entry-level House Price	£234,000	-	<b>£66,857</b>	No	No	No
Average Market Rent	-	£12,000	<b>£40,000</b>	Yes	No	No
Entry-level Market Rent	-	£10,950	<b>£36,500</b>	Yes	No	Yes
<b>Affordable Home Ownership</b>						
First Homes (-30%)	£244,292	-	<b>£62,818</b>	No	No	No
First Homes (-40%)	£209,394	-	<b>£53,844</b>	No	No	No
First Homes (-50%)	£174,495	-	<b>£44,870</b>	Yes	No	No
Shared Ownership (50%)	£157,045	£4,362	<b>£59,411</b>	No	No	No
Shared Ownership (25%)	£78,523	£6,544	<b>£44,247</b>	Yes	No	No
Shared Ownership (10%)	£31,409	£7,852	<b>£35,148</b>	Yes	No	Yes
<b>Affordable Rented Housing</b>						
Affordable Rent	-	£6,864	<b>£27,456</b>	Yes	No	Yes
Social Rent	-	£5,038	<b>£20,153</b>	Yes	No	Yes

Source: AECOM Calculations

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

### Market housing for purchase and rent

114. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Owner occupation of 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 of £87,429, which is 78% higher than the current average income of £49,200.

115. Private renting is generally only affordable to average, rather than lower quartile earners. Households made up of one or even two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances. Entry level market rents (the lower price end of the PRS) is affordable to those on average incomes and to those households who can command at least the equivalent of two lower quartile incomes.

**Affordable home ownership**

116. There is a group of households in Hatfield Peverel who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £36,500 per year (at which point entry-level rents become affordable) and £66,857 (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. 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.

117. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels against three different ways of benchmarking the value of the dwelling. This is presented in Table 5-4 below, which calculates the discount required depending on whether the dwelling is priced in relation to new build prices across the district (the most likely), existing median prices in the NA, and existing entry-level prices in the NA (the least likely, optimistic scenario). The minimum discount level required at Hatfield Peverel for those on average incomes, would be approximately 45% by the first two measures. As those on lower quartile incomes would require discounts well in excess of 50%, which is above the limit allowed for, it is likely that no households on single or double lower quartile incomes in Hatfield Peverel would be able to afford a First Home. The discount level recommended for First Homes in Hatfield Peverel is therefore the maximum of 50%, if this is viable.

118. Table 5-4 below shows the discount required for First Homes to be affordable to the three income groups.

**Table 5-4: Discount on sale price required for households to afford First Homes**

	Mean Income	LQ Income x1	LQ Income x2
NA Existing Median	44%	79%	57%
LA New Build Mean	45%	79%	58%
NA Existing LQ	26%	72%	44%

Source: Land Registry PPD; ONS MSOA total household income

119. For a shared ownership product, the maximum ownership share that would be affordable on average incomes would be 25%. To those on two lower quartile incomes

in Hatfield Peverel, the only affordable home ownership product that would be affordable would be shared ownership at 10%. For those on a single lower quartile income, no affordable home ownership products would be affordable at all.

120. Shared ownership appears to be 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>20</sup> If this is delivered in the NA, it will make shared ownership easier to access for more people (as this is the maximum affordable to those on two lower quartile incomes). 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.
121. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a very long-term view.
122. The income required to access rent to buy is assumed to be the same as that required to afford market rents. This would be accessible for those on average incomes in Hatfield Peverel, but not to those on lower quartile incomes, except if the property was at the entry level end of the market (likely to consist of small one and two bedroom flats).
123. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
  - First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
  - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
  - 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

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<sup>20</sup> The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

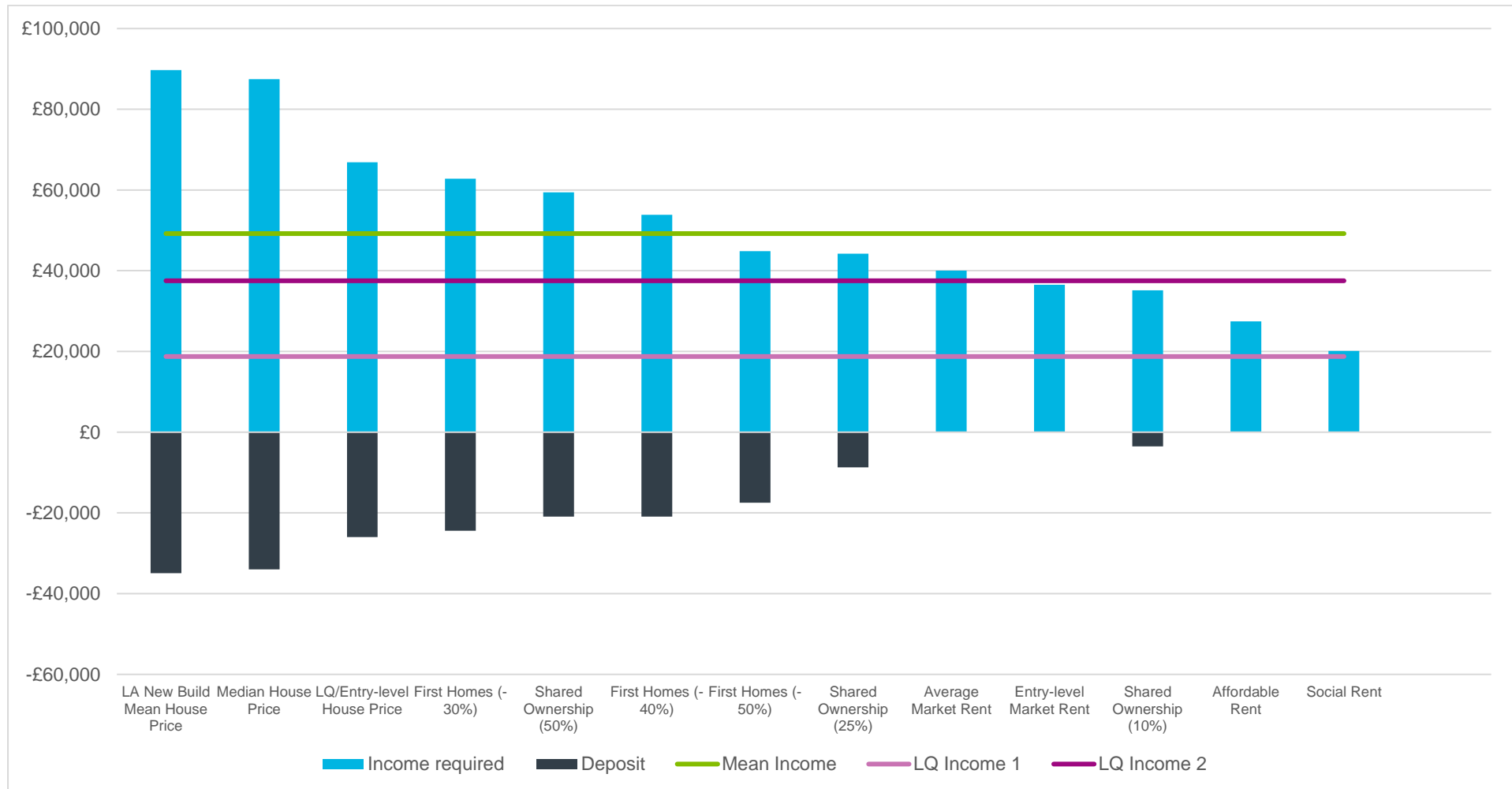
accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

124. In conclusion, all of these products would provide value to different segments of the local population, with shared ownership at a lower than 25% or 10% equity share potentially allowing lower earning households to get a foot on the housing ladder, while rent to buy is helpful to those with little or no savings for a deposit, and First Homes (especially at 50% discount) may provide a better long-term investment to those who can afford to access it.

### **Affordable rented housing**

125. 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, without recourse to benefits. Therefore, many such individuals will, if unable to secure a social rented dwelling on the basis of their income, require additional subsidy through Housing Benefit to access housing.
126. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Hatfield Peverel 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. Furthermore, the differences in affordable rent and social rent are not very pronounced in the NA (£6,864 compared to £5,038 rent per year).

**Figure 5-2: Affordability thresholds in Hatfield Peverel, income required (additional cost of deposit in black)**



Source: AECOM Calculations

## 5.4 Affordable housing- quantity needed

127. The starting point for understanding the need for affordable housing in Hatfield Peverel is the relevant Strategic Housing Market Assessment (SHMA). The latest SHMA was undertaken in 2015 and an Update was undertaken for Braintree, together with Chelmsford, Colchester and Tendring Councils in 2015/2016. The local authority areas together form a Housing Market Area (HMA). These studies estimate the need for affordable housing in the District based on analysis of the Council's waiting list and analysis of other data sets in line with Planning Practice Guidance at the time (see SHMA Update Chapter 5 for method).
128. The SHMA Update (Chapter 7) identifies the need for 212 affordable homes each year in Braintree as a whole, representing 25.89% of annual projected household growth in the district 2013-2037 (822 households per year as identified by 2015 OAN calculations). A 30% affordable housing target is suggested as a result, subject to viability and other policy considerations. Based on vacancy assumptions, 845 dwellings are required in Braintree 2013-2037, and 218 (25.8%) should be affordable.
129. The affordable housing need identified is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents. A small proportion of these households may be able to afford shared ownership because in some cases it is more affordable than market rents, especially when available at a share of 25%. SHMA Update table 5.14a shows that of the 890 households in gross need each year in Braintree, only 1.6% could afford shared ownership, 38.5% affordable rent and 59.9% can afford social rent or require support.
130. When the SHMA figures are pro-rated to Hatfield Peverel, based on its fair share of the population (3% of the LPA's population), the district's net annual requirement of 218 affordable units equates to 6.54 homes per annum for Hatfield Peverel (predominately for social/affordable rent) or 111.18 homes over the Neighbourhood Plan period of 17 years from 2021-2038. However, pro-rating District level estimates of affordable housing need to rural areas presents problems in practice. The District level figures are likely to represent higher needs in the urban areas of the District where there is a large social housing stock and larger numbers of households living in the PRS on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural villages like Hatfield Peverel, the lack of social housing generally means there is less need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is difficult to identify need for social/affordable rented housing within Hatfield Peverel.

131. In Table 5-5 below we have calculated, using PPG as a starting point,<sup>21</sup> an estimate of the total need for affordable rented housing in Hatfield Peverel over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. For example, Census 2011 data is increasingly out-of-date. 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 here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.

132. It should also be noted that figures in Table 5-6: Estimate of the potential demand for affordable housing for sale in Hatfield Peverel

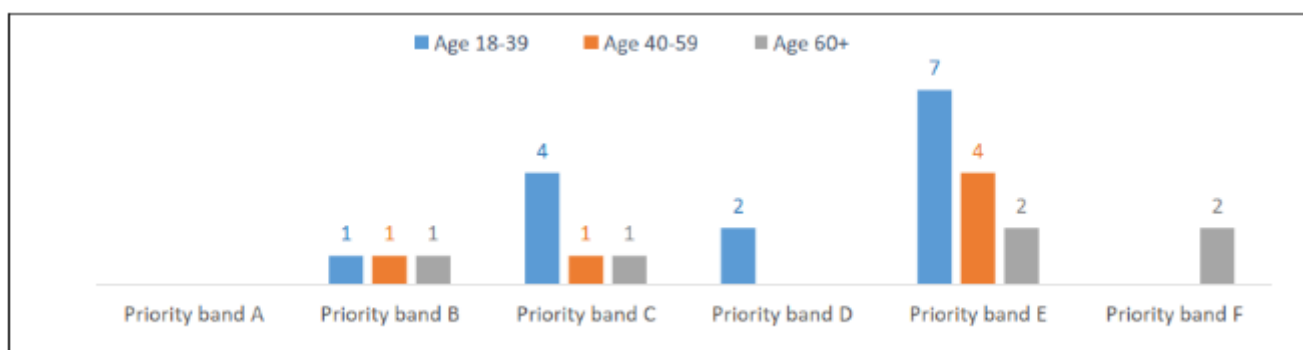
Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in NA	214.5	Census 2011 number of renters * national % increase to 2018
1.2 Percentage renters on housing benefit in LA	17.0%	% of renters in 2018 on housing benefit
1.3 Number of renters on housing benefits in NA	36.4	Step 1.1 * Step 1.2
1.4 Current need (households)	133.6	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	<b>7.9</b>	Step 1.4 divided by plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	174.4	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	7.4%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	12.9	Step 2.1 * Step 2.2
2.4 Total newly arising need per annum	<b>1.0</b>	Step 2.3 divided by plan period
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	9.2	Number of shared ownership homes in NA (Census 2011 + LA new build to 2018/19 pro rated to NA)
3.2 Supply - intermediate resales	<b>0.3</b>	Step 3.1 * 3% (assume rate of re-sale)
<b>NET SHORTFALL (OR SURPLUS) PER ANNUM</b>		
Overall shortfall (or surplus) per annum	<b>8.6</b>	(Step 1.5 + Step 2.4) - Step 3.2
Overall shortfall (or surplus) over the plan period	141.8	(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period

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

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

<sup>21</sup> Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

134. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.
135. are largely dependent on information provided by BDC in its capacity as manager of the local housing waiting list. BDC, in its StatNav data summary on Hatfield Peverel, states that there were 26 households registered for housing association homes with a current address in Hatfield Peverel and the surrounding villages of Fairstead, Terling and Faulkbourne at January 2021, broken down into 17 in priority bands D to F (least urgent), 6 in priority band C and 3 in band B. None of the households were registered for the most urgent priority band A in the NA. The following graphics show the breakdown of these 26 households by age, band and size of property required:



	1 bed	2 bed	3 bed	4 bed	5+ bed	Total
Age 18-39	3	8	3			14
Age 40-59	4	1	1			6
Age 60+	4	2				6
<b>Total</b>	<b>11</b>	<b>11</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>26</b>

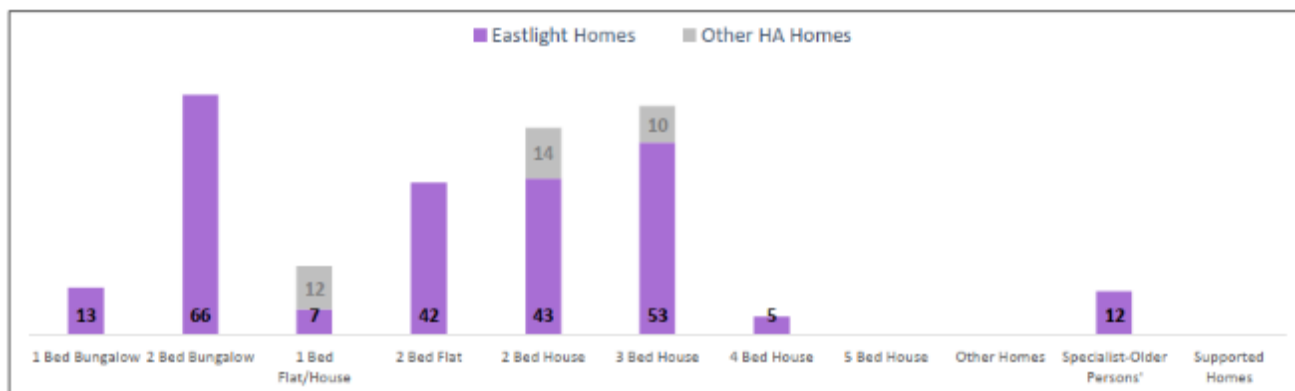
  

	1 bed	2 bed	3 bed	4 bed	5+ bed	Total
Priority band A						
Priority band B	1		2			3
Priority band C		6				6
Other bands D to F	10	5	2			17
<b>Total</b>	<b>11</b>	<b>11</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>26</b>

Source: StatNav Key Housing Statistics Snapshot for Hatfield Peverel, dated January 2021, provided by BDC.

136. At the same time, there are 277 Housing Association homes available to rent in Hatfield Peverel as at January 2021, with most of them provided by Eastlight Homes:

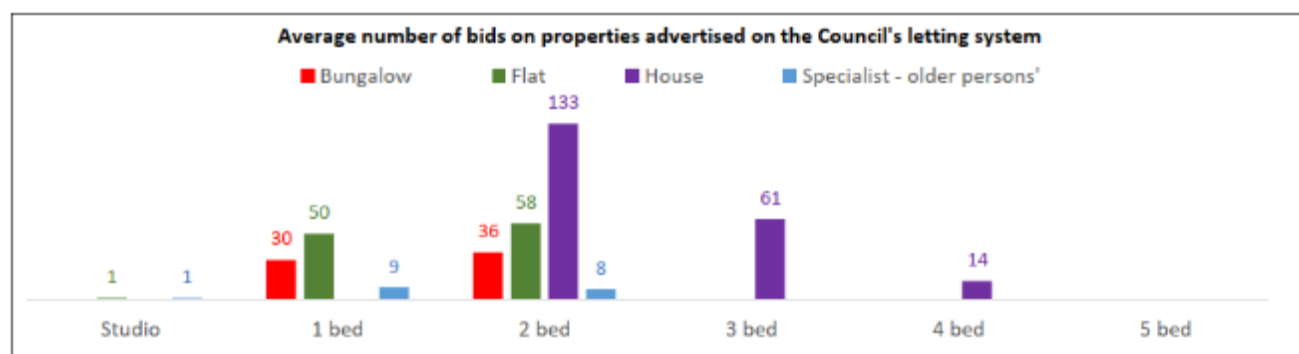
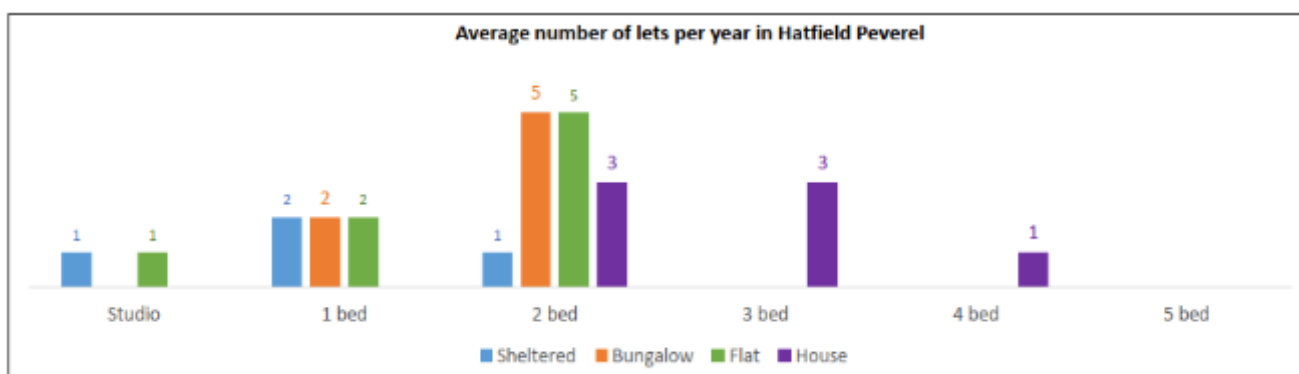




Bungalows		Flats			Houses				Specialist - older persons'	Supported	Other	TOTAL
1 bed	2 bed	1 bed	2 bed	3 bed	2 bed	3 bed	4 bed	5 bed				
13	66	19	42	0	57	63	5	0	12	0	0	277

Source: StatNav Key Housing Statistics Snapshot for Hatfield Peverel, dated January 2021, provided by BDC.

137. The letting history shows the number of housing association lets per year from May 2009 – January 2021 and the average number of bids made for each property type which became available on the Council's lettings system in the same time period:



Source: StatNav Key Housing Statistics Snapshot for Hatfield Peverel, dated January 2021, provided by BDC.

138. The AECOM table below shows that there are currently about 26 households in Hatfield Peverel unable to access affordable rented homes suitable to their needs, based on the BDC housing waiting list (equating to 1.5 homes per annum divided over the 17 year

plan period). The table also suggests that, over the Plan period, 33 additional households in the Neighbourhood Plan area will fall into need (1.9 per annum), producing total need for affordable rented homes of 49 units over the plan period. Based on the assumption that on average 3-5% of affordable homes are available for relet per year, at least 8.3 affordable relets should be available in the area on average per year in the parish, equating to 141 unit relets for the plan period. This results in a surplus of affordable housing predicted in the parish of 4.8 units per year, equating to 82 units over the plan period.

139. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 26 households). The reason for the apparent surplus over the long-term is that the model assumes a rate of turnover in the existing affordable housing stock of 3%. So of the 277 units of affordable rented accommodation existing currently according to BDC information, it can be expected that around 8.3 units will come vacant in any given year as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change. This satisfies the projected newly arising need as well as some of the backlog, which is effectively spread out over the 10-year period to produce an annualized figure. It also fits with the data above which shows that at the lower quartile end of prices and house sizes (smaller, cheaper flats), prices have actually been falling in recent years.
140. An important caveat to this finding is that there are almost certainly households currently in need in the NA, as evidenced by the waiting list and bidding data received from BDC, and to 'spread them out' over the Plan period suggests that some of them can be accommodated in ten years' time once a sufficient surplus has been built up through new supply and turnover of the existing stock. While possible, this is not favourable to the individuals involved who are registered as being in need now. In practice, it would be better to frontload any future affordable rented provision to meet those needs as soon as possible, leaving newly arising need in future to be met by turnover in the existing stock.
141. A further caveat worth emphasizing is that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2 bedrooms while the applicant household might require 4 bedrooms, may be located in an inappropriate location, or be otherwise unsuitable. This would fit with the bidding information above received from BDC, which indicates a large number of bids received for certain types of properties in Hatfield Peverel (although not all bidders may be from the NA). The highest number of bids were received for 2 and 3 bedroom affordable rented houses (133 and 61 bids respectively), followed by bids for 2 and 1 bedroom flats (58 and 50 bids respectively), showing there is clear demand for affordable housing in the area.
142. As such, it is recommended that Hatfield Peverel considers encouraging the delivery of some affordable rented housing, particularly early in the Plan period, with the understanding that if this results in oversupply in future years, the vacancies created when existing occupants leave their properties may need to satisfy new need from

elsewhere in the district, which is evident through the high number of bids for current units. Provisions may be best concentrated mainly on middle sized houses, with some smaller flats and a limited number of other housing types and sizes. However, this point is covered in greater detail in the following chapter.

**Table 5-5: Estimate of need for Affordable Housing for rent in Hatfield Peverel**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current households in need	26.0	Latest waiting list data available from Braintree. These are households with a current address in Hatfield Peverel and the surrounding villages at January 2021
1.2 Per annum	<b>1.5</b>	1.1 divided by the plan period 2021-2038
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	174.4	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA
2.2 Proportion of new households unable to rent in the market	18.9%	(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	303.1	2011 Census + LA-level % increase
2.2.2 Number of private renters on housing benefits	36.4	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	33.0	Step 2.1 * Step 2.2
2.4 Per annum	<b>1.9</b>	Step 2.3 divided by plan period 2021-2038
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of social/affordable re-lets (including transfers)	<b>8.3</b>	Based on 3% turn-over assumption in affordable stock of 277 affordable units
<b>NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM</b>		
Overall shortfall (or surplus) per annum	<b>-4.8</b>	Step 1.2 + Step 2.4 - Step 3.2
Overall shortfall (or surplus) over the plan period	<b>-82.1</b>	(Step 1.1 + Step 2.3) - Step 3.2 * plan period

Source: AECOM model, using Census 2011, English Housing Survey 2018, DLUHC 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency. Figures may not sum due to rounding.

143. Turning now to Affordable Housing providing a route to home ownership, Table 5-6 below estimates the potential demand in Hatfield Peverel. This model aims to estimate the number of households who might wish to own their own home but cannot afford to – the ‘can rent, can’t buy’ group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
144. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level

which demonstrate that most households (typically 80% or more) aspire to home ownership.<sup>22</sup> No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

145. The result of the calculation is 8.6 households per annum who may be interested in affordable home ownership (or 142 for the entirety of the Plan period).
146. Again, this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently (only 7 households in the 2011 Census were registered as living in a shared ownership home).
147. It is important to keep in mind that the households likely to be interested in affordable home ownership identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

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<sup>22</sup> <http://www.ipsos-mori-generations.com/housing.html>

**Table 5-6: Estimate of the potential demand for affordable housing for sale in Hatfield Peverel**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in NA	214.5	Census 2011 number of renters * national % increase to 2018
1.2 Percentage renters on housing benefit in LA	17.0%	% of renters in 2018 on housing benefit
1.3 Number of renters on housing benefits in NA	36.4	Step 1.1 * Step 1.2
1.4 Current need (households)	133.6	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	<b>7.9</b>	Step 1.4 divided by plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	174.4	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	7.4%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	12.9	Step 2.1 * Step 2.2
2.4 Total newly arising need per annum	<b>1.0</b>	Step 2.3 divided by plan period
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	9.2	Number of shared ownership homes in NA (Census 2011 + LA new build to 2018/19 pro rated to NA)
3.2 Supply - intermediate resales	<b>0.3</b>	Step 3.1 * 3% (assume rate of re-sale)
<b>NET SHORTFALL (OR SURPLUS) PER ANNUM</b>		
Overall shortfall (or surplus) per annum	<b>8.6</b>	(Step 1.5 + Step 2.4) - Step 3.2
Overall shortfall (or surplus) over the plan period	141.8	(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period

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

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

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

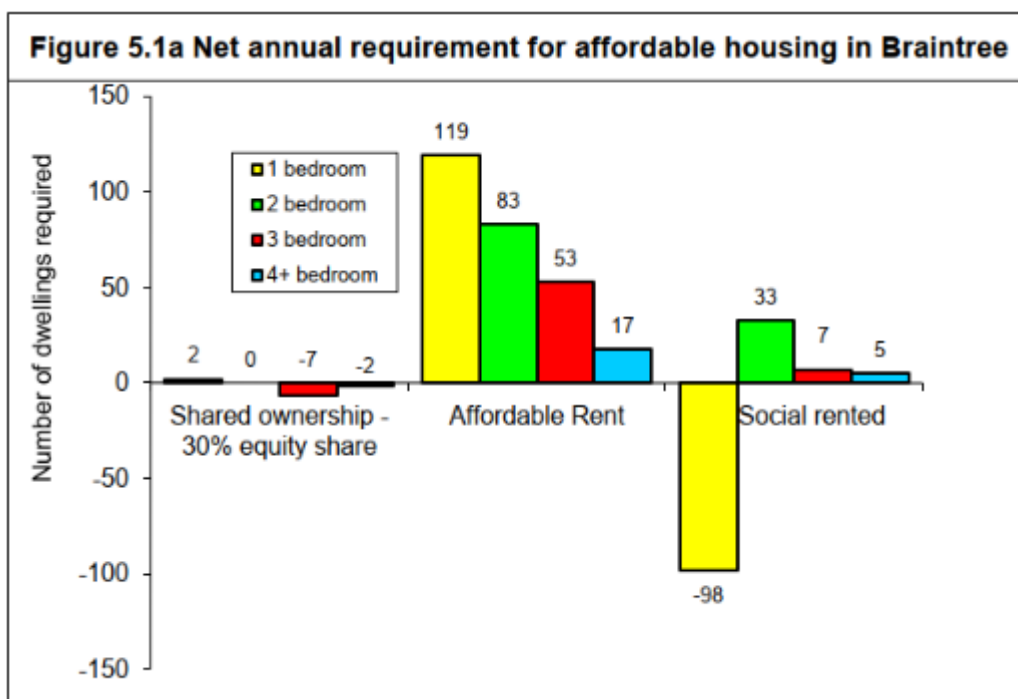
#### 5.4.1 Additional SHMA findings

150. Relevant findings of the SHMA Update are as follows. However, it is worth noting that needs evidenced are rather different from those experienced specifically in the NA:

- The gross affordable housing need in Braintree district is 351 households per year; However, this is adjusted down as part of the model, for instance excluding

any single person household aged under 35 that can afford the LHNA shared room rate;

- “Other households” are the household group of which the largest percentage (4.3%) is in housing need, followed by “Lone parents” (2.6%);
- 25.4% of the total households in need in Braintree district are couples with a child / with children, followed by 23.5% of couples with no children, with lone parents making up 18.8% of those in need, followed by ‘Other’ households (16.38%) and one person households (15.5%). The difference between this and the previous bullet means that there are not that many ‘other’ households or lone parent households across the district in total, but that households within these groups are more likely to be in need. However, family and couple households, although less likely to be in need, by merit of making up a larger part of the population, will embody a larger number of households in need across the district;
- The largest affordable housing net need in Braintree is for two bedroom accommodation, following by three bed homes, with the need for four bedrooms being the greatest compared to limited supply, followed by need for 3 bedrooms. This is consistent with the bidding information for affordable properties in Hatfield Peverel provided by BDC;
- The figure below shows the SHMA Update’s net annual requirement for affordable housing by tenure and size in Braintree, which is skewed towards two and three bedroom affordable rented properties, considering that the negative need for one bedroom social properties cancels out the majority of the need for 1 bedroom affordable rented properties shown:



Source: Braintree, Chelmsford, Colchester & Tendring Councils 2015 Strategic Housing Market Assessment

#### 5.4.2 Affordable Housing policy guidance

151. BDC's adopted policy on this subject, CS 2 on Affordable Housing, requires 40% of all new housing to be affordable in rural areas such as the NA, with a threshold of 5 dwellings / 0.16 hectares. This percentage is retained in the emerging new Local Plan S2, draft Policy LLP 33, albeit with a higher threshold of 11+ dwellings / 1,000 sqm floorspace.
152. Affordable Housing has made up only an average of 20% across Braintree in recent years, with 1,271 additional housing association properties provided over 10 years 2005-15 across the district (see Braintree Housing Strategy 2016). However, affordable homes do make up 40% of those dwellings permitted currently under construction in the NA (see below for further information). Therefore, the target appears not unlikely to be met in the NA, especially considering the large volume of units permitted and/or under construction in total.
153. 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.
154. 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 not specified by the adopted Core Strategy. However, draft Policy LLP 33 proposes that 10% of all homes should be for affordable home ownership, with mix subject to identified current local need.
155. The HNA can supply more localized evidence of identified current local need, as mention in LLP33, to guide an appropriate mix. This section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Hatfield Peverel specifically.
156. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:
  - A. **Evidence of need for Affordable Housing:** This study estimates that Hatfield Peverel requires roughly 82.1 units of affordable rented housing less and 142 units more of affordable home ownership over the Plan period. Both forms of Affordable Housing remain valuable in meeting the needs of people on various incomes.

The relationship between these figures suggests that all new Affordable Housing should offer a route to ownership. However, as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership. The former

group also, while showing a surplus of provision over the plan period, does show evidence of demand, with a backlog of 26 units currently in place.

If the quantity of new housing overall were unlimited, 26 units of affordable rented housing to be front-loaded would be ideal, with 142 units of affordable housing for sale to be delivered over the plan period (this would equate to 168 units in total, with 16% as affordable rented and the remaining to 85% as affordable housing for sale), which would represent an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.

- B. Can Affordable Housing needs be met in full?** How far meeting the more urgently needed affordable rented housing backlog should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.

If the Local Plan target of 40% were achieved on every site, an approximate maximum of 197-262 affordable homes might be expected in the NA across the plan period, based on an indicative housing requirement figure (HRF) from BDC of 492 to 656. If the majority of Hatfield Peverel's HRF was expected to come forward in the form of small infill developments, those schemes would be unlikely to be large enough to meet the threshold in national policy (NPPF – see also below) as well as in emerging local policy of 10 or 11+ dwellings, above which the Affordable Housing policy applies. If that were the case, the potential delivery of Affordable Housing is likely to be lower.

However, in the case of Hatfield Peverel, more units than in the indicative HRF range from BDC are already permitted or under construction on major sites. 485 dwellings are permitted or under construction in the next five years alone and this does not include windfall sites or units permitted for construction after the 5 years. Therefore, permitted units would technically be more than sufficient to satisfy the total potential demand for Affordable Housing identified here.

However, as these units are already under construction, permitted or have an outline permission, their level of affordable housing provision and mix is already likely to be fixed.

Based on the information available on BDCs planning portal, taking as an example the four major permissions already under construction in Hatfield Peverel ('Witham Field Farm Witham Road; Sorrells Field Bury Lane "Mulberry Green"; Former Arla Dairy Site "Hatfield Grove"; and 42 St Andrew's Road; with all but 2 of the net additional units to be delivered on the Mulberry Green and Arla Dairy sites), out of the total net additional permitted 180 units over the next 5 years already under construction (with 194 actually permitted overall, due for completion over the plan period), a total of 78 affordable units are expected to be delivered (40%). Further units will be provided on other major permissions which are not yet under construction.



Therefore, while it is likely that the need for affordable housing is already being fully met in the NA over the plan period, HPPC are unlikely to have any say over the amount or mix delivered, as this is already set out in the planning permission.

- C. **Government policy (e.g. NPPF) requirements:** Current NPPF policy and emerging local policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in rural BDC (10% of the upper end of the indicative target of 656 is 65.6%), where 40% of all housing should be affordable based on local policy, at least 25% of Affordable Housing should be for affordable ownership. This complies with the guideline tenure split sought in the emerging Local Plan.

There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA there is no evidence that meeting the 10% threshold in Hatfield Peverel would prejudice the provision of much needed affordable rented homes, as the majority of need appears to be for affordable housing for sale.

- D. **First Homes policy:** The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.

This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent, or the amount of more affordable for sale tenures, if this was proposed to be more than 75% of Affordable Housing. In the case of Hatfield Peverel, this is unlikely to be an issue. This is because the majority of need identified in this HNA is for affordable home ownership, and because there are already an extensive number of units permitted and /or under construction, which were permitted prior to this requirement.

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.

- E. **Local Plan policy:** As noted above, the adopted Local Plan seeks a tenure split of 40% affordable housing, with exact mix based on local needs. The emerging Local Plan states that 10% of all homes should be for affordable home ownership including starter homes and shared ownership, with a mix subject to identified local needs. This is also in line with national policy.
- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the

provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.

- G. **Funding:** The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Hatfield Peverel:** Evidence from BDC suggests that there are currently 277 units of affordable housing in the NA. The 2011 Census states that there were 292 households in the NA which lived in affordable housing in 2011 (285 in affordable rented and 7 in intermediate housing). Therefore, there is clearly already a sizable supply of affordable housing in the NA, considering the size of the village. However, it is not given that the units available match the needs of those persons on the waiting list. A backlog of 26 households in affordable housing need is registered for the NA on BDC's housing waiting list. Therefore, some immediate provision of Affordable Housing for rent, and some longer term provision of affordable housing for sale would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area. However, the majority of this is likely to be already catered for in developments permitted and/or under construction in Hatfield Peverel, as there is so much of this, but HPPC will not have any say in the amount or mix delivered of these units.
- I. **Views of registered providers:** It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
- J. **Wider policy objectives:** The neighbourhood planning group may wish to take account of broader policy objectives for Hatfield Peverel and/or the wider district. These could include, but are not restricted to, policies to attract or retain younger households, families or working age people to/in the NA. These wider considerations may influence the mix of Affordable Housing provided.

157. On the basis of the considerations above, Table 5-7 below proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

158. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be ample, as a result of the high levels of permissions and the high level of compliance with affordable housing policy in developments current under construction as examined above. Furthermore, the data indicates that the backlog of affordable housing need for rent is small (26 units) and that the majority of remaining need is for

affordable housing for sale. In this context, affordable sale tenures should be prioritized where possible. The Local Plan does not stipulate a mix beyond an emerging policy requiring 10% affordable housing for sale. Therefore, a guideline mix of 10% rented to 90% ownership appears to offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally. This is what this HNA determines to be appropriate to meet Hatfield Peverel's needs specifically, not taking into account any role Hatfield Peverel is to play in meeting the needs of a wider area.

159. However, it is worth noting that HPPC are unlikely to have much say in the mix of affordable housing delivered, as the majority of the housing requirement is already permitted and/or under construction, with delivery of the majority expected over the coming 5 years. With this in mind, HPPC may wish to discuss
  - what their remaining housing requirement is likely to be over the plan period, as it is likely that this should be limited or zero, in light of the small size of the settlement and the high current permission and construction rates; and
  - how it is recommended their need for affordable housing for sale will be met; If this will not be met through developer contributions or provisions, alternative forms of delivery could be explored by HPPC, such as a community-led housing scheme.
160. Rent to Buy is listed as a slightly higher percentage of provision, as it appears to be a more affordable option in the NA than other forms of intermediate provision. First Homes appears to be the least affordable option, unless the discount is extensive, i.e. the maximum discount level of 50%. In terms of shared ownership, we recommend that a range of shares is offered to residents, including 10% and 25% shares, which are more affordable at low incomes.
161. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community in terms of what affordable housing should achieve for the NA.
162. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with BDC to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
163. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence. However, this will require a greater level of negotiation and involvement per application.

164. Finally, it should be considered and discussed with BDC, what the envisaged role of a new NP tenure split policy is, if the remaining housing requirement over the plan period may be very low or zero.

**Table 5-7: Indicative tenure split (Affordable Housing)**

Tenure	Indicative mix	Considerations and uncertainties
<b>Routes to home ownership, of which</b>	<b>90%</b>	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	30%	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	35%	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>10%</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

## 5.5 Conclusions- Tenure and Affordability

165. In summary, the current profile of Hatfield Peverel in terms of tenure and affordability is characterized by:

- average incomes of £49,200, which is above the national average;
- average lower quartile incomes of £18,758 in households with one LQ income and £37,516 in households with two LQ incomes); and
- average house sale prices wholly unaffordable on average incomes (with an average resale home requiring on income of over £87,429 and a new build requiring on average an income of over £89,740, compared to an average local income of 49,200).

166. Households on two lower quartile incomes (as measured at overall local authority level) also cannot afford to own a property in Hatfield Peverel. The only tenures affordable to such households would be to rent (private, affordable or social rent) or a shared ownership home at the lowest share of ownership possible (10%). Those households on

a single lower quartile income would on average not even be able to afford a social rented property without recourse to benefits. The differences in affordable rent and social rent are not very pronounced in the NA (£6,864 compared to £5,038 rent per year).

167. Hatfield Peverel has higher than national average levels of owner occupation (72.6%), lower percentages of private renting (10%) and slightly lower levels of social renting at 16%. Shared ownership makes up the smallest percentage of households, at 0.4%, which is a similar situation as across Dorset and England as a whole, but slightly lower. Social renting is the second most popular tenure after home ownership. In the intercensal period, the largest proportional increase was a 83% rise in private renting in Hatfield Peverel. At the same time in the NA, all other sectors contracted (a 30% fall in shared ownership and 6.3% decline in social rent), except owner occupation, which rose by 0.8%.
168. Those on average incomes who do not already own their own home or a large deposit, will not be able to afford to buy their own home in Hatfield Peverel, but they will be able to rent in the market. The only affordable ways to home ownership on an average income in Hatfield Peverel are either through shared ownership at 10 or 25% or through a discount market sale scheme, which would have to offer a minimum discount of at least 45%. 30 or 40% discount market sale schemes such as First Homes or 50% shared ownership would still be unaffordable on average incomes in the NA. Therefore, a discount level recommended for First Homes in the NA is the maximum of 50%, if this is viable.
169. The Braintree joint SHMA Update is not sufficiently detailed to provide data relating to affordable housing need in the NA specifically. The needs across the district appear rather different from those in the NA.
170. AECOM calculations, based on waiting list and affordable housing stock data received from BDC shows that, while there is a current backlog need for 26 affordable rented units in the parish, over the plan period it is expected that Hatfield Peverel will actually have a surplus of affordable housing of 4.8 units per year, equating to 82 units over the plan period. However, it is not a given that the units available will match the needs of those who require them. LPA bidding data shows a large number of bids being received for every affordable 2 and 3 bedroom affordable rented house.
171. As such, it is recommended that Hatfield Peverel considers encouraging the delivery of some affordable rented housing, particularly early in the Plan period, with the understanding that if this results in oversupply in future years, the vacancies created when existing occupants leave their properties could be used to satisfy new need from elsewhere in the district. Provisions may be best concentrated mainly on middle sized houses, with some smaller flats and a limited number of other housing types and sizes.
172. AECOM calculations also show that the potential demand for affordable housing for sale could in reality be much higher than the demand for affordable housing for rent. The

result of the calculation is 8.6 households per annum who may be interested in affordable home ownership (or 142 for the entirety of the Plan period).

173. If the quantity of new housing overall were unlimited, 26 units of affordable rented housing to be front-loaded would be ideal, with 142 units of affordable housing for sale to be delivered over the plan period (this would equate to 168 units in total, with 16% as affordable rented and the remaining to 85% as affordable housing for sale), which would represent an appropriate affordable tenure mix.
174. If the Local Plan target of 40% Affordable Housing in rural areas were achieved on every site, an approximate maximum of 197-262 affordable homes might be expected in the NA across the plan period, based on an indicative housing requirement figure (HRF) from BDC of 492 to 656. (Note that the equivalent target for urban areas is 30%).
175. In the case of Hatfield Peverel, more units than in the indicative HRF range from BDC are already permitted or under construction on major sites. 485 dwellings are permitted for the next 5 years alone, which does not even include windfall sites or units permitted for construction after 5 years. This would technically be more than sufficient to satisfy the total potential demand for Affordable Housing identified here. However, as these units are already under construction, permitted or have an outline permission, their level of affordable housing provision and mix is already likely to be fixed within a planning permission from BDC.
176. Based on the information available on BDCs planning portal, taking as an example the four major permissions already under construction in Hatfield Peverel, out of the total permitted 180 units over the next 5 years already under construction (with 194 actually permitted overall and under construction, due for completion over the plan period), a total of 78 affordable units are expected to be delivered (40%). Further units will be provided on other major permissions which are not yet under construction.
177. Therefore, while it is likely that the need for affordable housing is already being fully met in the NA over the plan period, HPPC are unlikely to have any say over the amount or mix delivered, as this is already permitted.
178. Note that this table assumes that most or all of the expected housing delivery in the NA will take place after the Government's proposal to temporarily lift the site size threshold for Affordable Housing has ended. If that period extends beyond the date on which the Neighbourhood Plan is made and also influences the rate of Affordable Housing delivery on relevant development sites, the quantity of Affordable Housing to be provided in the NA during the Plan period may be lower than the estimate below.
179. An indicative tenure mix has been provided, which could serve as a guideline for the breakdown of Affordable Housing tenures in Hatfield Peverel, based on various considerations and evidence. This proposes 90% of affordable homes be provided as rented tenures, and the remaining 10% delivered as affordable routes to home ownership. This is in conformity with the adopted and emerging Local Plan in delivering a minimum of 10% affordable housing as for sale. 25% of affordable housing would be

provided as First Homes. This aligns with the direction of national policy, which includes a mandated minimum level of delivery of the Government's new First Homes affordable home ownership product.

180. The Local Plan does not stipulate a mix beyond an emerging policy requiring 10% affordable housing for sale. Therefore, a guideline mix of 10% rented to 90% ownership appears to offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally. This is what this HNA determines to be appropriate to meet Hatfield Peverel's needs specifically, not taking into account any role Hatfield Peverel is to play in meeting the needs of a wider area.
181. Table 5-8 below summarises Hatfield Peverel'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 neighborhood plan (e.g. if the group plan for more housing and therefore more affordable housing) than the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.
182. The majority of the identified affordable housing need is likely to be already catered for in developments permitted and/or under construction in Hatfield Peverel, as there is so much of this, but HPPC will not have any say in the amount or mix delivered of these units.
183. With this in mind, HPPC may wish to discuss what their remaining housing requirement is likely to be over the plan period, as this may be limited or zero, in light of high current permission and construction rates and considering the semi-rural nature of the NA and the villages within. Finally, it should be considered and discussed with BDC, what the envisaged role of a new NP tenure split policy is, if the remaining housing requirement over the plan period may be very low or zero. The split is thus likely to only apply to small windfall sites which are unlikely to be over the affordable housing requirement threshold.

**Table 5-8: Estimated delivery of Affordable Housing in Hatfield Peverel**

Step in Estimation		Expected delivery
A	Provisional capacity figure (indicative)	492 to 656 (with 485 already permitted and/or under construction in the first 5 years of the plan period, thus leaving little autonomy over tenure split)
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	197-262
D	Rented % (e.g. social/ affordable rented)	10%
E	Rented number (C x D)	26  (assuming higher end of delivery range, as permissions and delivery currently are already so high)
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	90%
G	Affordable home ownership number (C x F)	236  (as above)

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



## 6. RQ 2: Type and Size

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

### 6.1 Introduction

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

### 6.2 Existing types and sizes

#### 6.2.1 Background and definitions

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

students). Hence, there is usually a different number of households and dwellings in any given area. The number of dwellings can also exceed that of households in areas with large numbers of holiday or second homes. In Hatfield Peverel, 4,376 residents form into 1,813 households, which occupy 1,820 dwellings. Therefore it appears unlikely that there is a large number of second homes or shared dwellings (based on a difference of only 7 between the number of households and dwellings).

190. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. Examining Census figures and VOA data for 2020 provides a fairly accurate approach. The most appropriate combination of possible approaches is used in this section. Unfortunately, BDC was unable to provide completions data at this time, which is typically a reliable data set to incorporate.

### 6.2.2 Dwelling type

191. The dwelling mix in Hatfield Peverel is fairly varied with representation from all types of dwellings. Compared to the rest of the district and the country as a whole, the NA has a significantly higher proportion of bungalows and detached houses, and also a slightly higher proportion of semi-detached dwellings. Correspondingly, it has significantly fewer flats and terraced homes. This is not unusual for a rural village. In the last ten years since the Census, this appears to not have changed very much. The percentage of flats and terraces has remained low.
192. The apparent decline in detached and semi-detached dwellings is due to the fact that Census data counts bungalows within each of the other categories rather than independently. Note also that VOA data is rounded to the nearest 10 in each dwelling category.

**Table 6-1: Accommodation type, Hatfield Peverel, 2011 and 2020**

Dwelling type	2011 (Census)	2020 (VOA)
Bungalow	Information not available	18.0%
Flat	8.8%	8.5%
Terrace	9.3%	9.5%
Semi-detached	37.0%	28.0%
Detached	44.9	34.9%
Unknown/other	Information not available	1.1%
Total	100%	100%

Source: ONS 2011, VOA 2020, AECOM Calculations

**Table 6-2: Accommodation type, various geographies, 2020**

Dwelling type	Hatfield Peverel	Braintree	England
Bungalow	18.0%	10.0%	9.4%
Flat	8.5%	13.8%	23.0%
Terrace	9.5%	26.2%	26.4%
Semi-detached	28.0%	25.8%	23.8%
Detached	34.9%	23.0%	15.9%
Unknown/other	1.1%	1.3%	1.4%

Source: VOA 2020, AECOM Calculations

193. While the Census data is now ten years old, it can be used to supplement VOA data, to show that in 2011, the prominence of detached and semi-detached houses over terraced homes and flats in Hatfield Peverel compared to the rest of district and country is equally apparent.

**Table 6-3: Accommodation type, various geographies, 2011**

Dwelling type		Hatfield Peverel	Braintree	England
Whole house or bungalow	Detached	44.9%	28.7%	22.4%
	Semi-detached	37.0%	33.9%	31.2%
	Terraced	9.3%	24.0%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	7.7%	11.3%	16.4%
	Parts of a converted or shared house	0.4%	1.2%	3.8%
	In commercial building	0.7%	0.6%	1.0%

Source: ONS 2011, AECOM Calculations

### 6.2.3 Dwelling size

194. The table directly below shows the 2011 Census mix and 2020 VOA data for comparison.

195. The 2011 mix of Hatfield Peverel in terms of the size of dwellings shows that three size categories were then approximately equally dominant, with similar percentages of dwellings having 2, 3 or 4 bedrooms (30%, 34% and 31%). However, since then, this mix has changed, with the already previously visible prominence of 3 bedroom homes increasing further in 2020, making it more clearly the most common dwellings size at 40%. 1 and 2 bedroom dwellings still make up the same percentage of the total, with 5% and 30% respectively. However, homes with 4 or more bedrooms have declined as a proportion of the total housing supply to represent only 25% of the total. This means that while homes of all sizes appear to have been built from 2011-2020, more new homes with 3 bedroom seem to have been provided than of other sizes.

196. While the VOA data helpfully shows changes that have been made to existing homes (i.e. extensions and the subdivision of rooms) that the other method overlooks (because the 2011 Census mix is effectively frozen at that point in time), it is in other respects less accurate. The VOA data is rounded to the nearest ten for each dwelling category, records a number of properties with an unknown number of rooms, and the newest data available is for 2020 – which misses any homes completed in the last year.
197. Unfortunately, BDC stated that they were unable to provide local authority completions data on request from AECOM at this time, as they are in the process of Examination for the emerging Local Plan to 2033 section 2 at the time of writing.

**Table 6-4: Dwelling size (bedrooms), Hatfield Peverel, 2011 and 2020**

Number of bedrooms	2011 (Census)	2020 (VOA)
Studio	0.1%	-
1	5.0%	4.9%
2	30.3%	30.4%
3	33.5%	39.7%
4+	31.2%	25.0%
Unknown	0%	0%
Total	100%	100%

Source: ONS 2011, VOA 2020, AECOM Calculations

198. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Compared to the rest of the district and the country, the NA has significantly fewer 1 bedroom homes (unsurprising, considering the low proportion of flats in Hatfield Peverel).
199. Two bedroom homes actually make up a larger proportion in the NA than across the district and country, which is unusual, considering that there are so few terraced homes and flats. However, this could be related to the large proportion of bungalows in Hatfield Peverel. Three bedroom homes make up a slightly lower proportion and 4+ bedroom homes a higher proportion than across the district and country. Much of the latter category is likely to coincide with the large proportion of detached properties in the NA.

**Table 6-5: Dwelling size (bedrooms), various geographies, 2020**

Number of bedrooms	Hatfield Peverel	Braintree	England
1	4.9%	8.8%	12.2%
2	30.4%	28.2%	28.1%
3	39.7%	43.4%	43.6%
4+	25.0%	19.4%	15.4%

Source: VOA 2020, AECOM Calculations

### 6.3 Age and household composition

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

#### 6.3.1 Age structure

201. Table 6-6 below shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. The age structure of Hatfield Peverel appears to have changed only very slightly since 2011, with the difference between 2011 and 2019 in all age categories being less than 2%, except for a slightly higher increase in the 65-84 year olds. The proportion of this age group has risen by 4% from 19 to 23%. The dominant age group in the NA, both at the time of the Census and in 2019 is the 45-64 year olds, making up approximately 30% of the total population of the village.

202. Note that ONS advises exercising caution with population estimates by single year of age (from which the 2019 below data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.

203. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2019 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

**Table 6-6: Age structure of Hatfield Peverel population, 2011 and 2019**

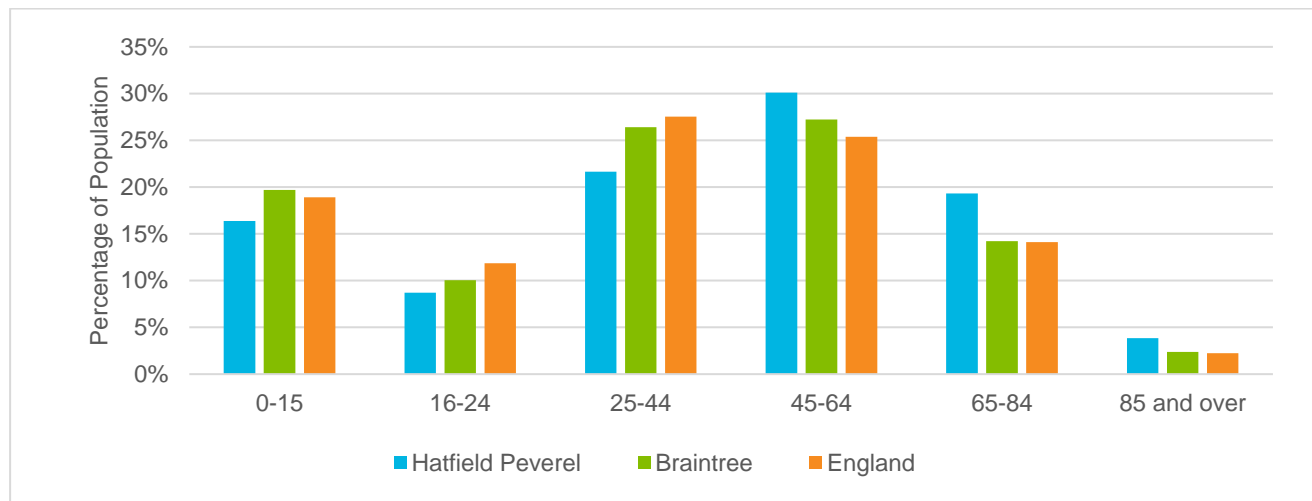
Age group	2011 (Census)		2019 (ONS, estimated)	
0-15	716	16%	655	15.4%
16-24	381	9%	305	7.2%
25-44	948	22%	839	19.7%
45-64	1,318	30%	1,268	29.8%
65-84	845	19%	985	23.2%
85 and over	168	4%	199	4.7%
Total	4,376	100%	4,251	100%

Source: ONS 2011, ONS mid-2019 population estimates, AECOM Calculations

204. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 6-1 below (using 2011 Census data) shows that across the country and district, the proportions of younger adults under 44 and children are higher and the proportion of older persons of 45 and above are lower. Hatfield Peverel

therefore has more than the average proportion of middle-aged and older persons living in the village.

**Figure 6-1: Age structure in Hatfield Peverel, 2011**



Source: ONS 2011, AECOM Calculations

### 6.3.2 Household composition

205. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 6-7 shows that in Hatfield Peverel, the vast majority of households are family households (69%) rather than one person households (26%). Most of the family households have dependent children living with them (24% of all households, thus representing the largest sub-category). Within the family category, the second most common group is couples without children (20%). Family households where all members are over 65 or where all children are non-dependent (so older families) make up the same proportion (12% each). One person households aged 65 or over make up 15% and others make up roughly 12%.
206. In the previous intercensal period from 2001-2011, Hatfield Peverel saw a slight decline in the categories of one person households and family households aged 65+ (of 1% and 3% respectively) and a significant decline in family households with dependent children (9%). As these categories are currently quite sizable parts of the NA population, their pre-dominance, especially of families with dependent children, would have been even more noticeable prior to 2001. The latest increases over those ten years from 2001-2011 were in the proportions of younger one person households under 65 and of couple households with non-dependent children (an increase of 6% and 13% respectively).
207. 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. While the data is quite old at this point, it is

interesting to observe that this category grew by 13% between 2001 and 2011 in the parish – at a lower rate than the district average (16%) but at a faster rate than across the country (10%).

**Table 6-7: Household composition, Hatfield Peverel, 2011**

Household type		Hatfield Peverel	Braintree	England
One person household	Total	26.4%	27.1%	30.2%
	Aged 65 and over	14.8%	11.8%	12.4%
	Other	11.6%	15.3%	17.9%
One family only	Total	68.8%	67.9%	61.8%
	All aged 65 and over	12.2%	8.7%	8.1%
	With no children	20.1%	20.4%	17.6%
	With dependent children	24.3%	29.0%	26.5%
	All children Non-Dependent	12.2%	9.8%	9.6%
Other household types	Total	4.7%	5.0%	8.0%

Source: ONS 2011, AECOM Calculations

### 6.3.3 Occupancy ratings

208. Data on occupancy, i.e. on whether households under-occupy their home or are overcrowded, is worth examining in Hatfield Peverel, as there is a lot of larger housing and a higher than average proportion of older households, which usually increases the likelihood of an unmet need for downsizing. Equally, some households may be overcrowded as there are a lot of families with children.
209. The tendency of households to over- or under-occupy their homes is a 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.
210. Census data on occupancy rating is only provided down to MSOA or ward level. So for the purpose of this analysis, the NA is represented by the ward boundary, which matches the parish boundary of Hatfield Peverel and is thus almost identical to the NA area.
211. Looking at Table 6-8, it appears that the highest under-occupancy rating in the NA (i.e. the highest number of spare bedrooms per home) is amongst the 65s and over, 85% of whom tend to have one or two spare rooms on average, with over half (52%) having two or more spare rooms. The second highest prevalence of under-occupancy is amongst the youngest age group of 0-15. 35% of children under the age of 15 in Hatfield Peverel are likely to live in a home with 1 spare bedroom and 41% in a home with two spare

bedrooms. The age group that is most likely to be overcrowded is the younger adults under 50, followed by the 50 to 64-year-olds, of whom 10% and 6% respectively over-occupy their home.

212. This can then be compared to data on household types and occupancy, rather than the age of individuals (see table 6-9). Overall, households in Hatfield Peverel are more likely to be under-occupying than over-occupying their home (81% versus 19%).
213. Under-occupation is most likely for the older households and those without children. All (100%) of family and couple households over 65 in the NA have one or more spare room and the majority of these (67%) having two or more spare rooms. This is followed by couples who are married or in a civil partnership but without children. 98% of these households under-occupy their home, again with the vast majority (75%) having two or more spare rooms. This again is closely followed by cohabiting couples with no children, of whom 91% under-occupy, 52% with two or more spare bedrooms.
214. Over-occupation becomes more prevalent in households with children, particularly amongst those who are not married or in a civil partnership. This includes cohabiting couples with dependent children (8% over-occupying), lone parents (5% over-occupying), and foremost other households with dependent children, 31% of which over-occupy their home. 7% of other households without dependent children (such as full time students etc) also over-occupy their homes.
215. This indicates that there is certainly be some room to free up larger properties by offering attractive downsizer housing in Hatfield Peverel to the over 65s. Those groups in most need for larger, more suitable properties are persons who are either lone parents or those sharing a dwellings with someone other than their family or married/civil partnership partner, with or without children.

**Table 6-8: Occupancy rating by age in Hatfield Peverel, 2011**

Age group	+2 rating	+1 rating	0 rating	-1 rating
0-15	40.5%	34.9%	20.2%	4.4%
16-49	27.1%	35.2%	27.8%	9.9%
50-64	32.7%	35.1%	26.7%	5.5%
65 and over	52.2%	32.8%	13.3%	1.8%
All ages	53.0%	36.6%	9.7%	0.7%

Source: ONS 2011, ONS mid-2019 population estimates, AECOM Calculations

**Table 6-9: Occupancy rating by age in Hatfield Peverel, 2011**

Household Composition		+2 rating	+1 rating	0 rating	-1 rating
One person household	Total	35%	49%	15%	0%
	Aged 65 and over	37%	51%	13%	0%
	Other	34%	47%	18%	0%
	Total	48%	33%	17%	2%



One family only	All aged 65 and over	67%	33%	0%	0%
	Married or same-sex civil partnership couple: Total	53%	33%	12%	2%
	Married or same-sex civil partnership couple: No children	75%	23%	2%	0%
	Married or same-sex civil partnership couple: Dependent children	39%	39%	18%	3%
	Married or same-sex civil partnership couple: All children non-dependent	38%	39%	20%	3%
	Cohabiting couple: Total	35%	35%	27%	3%
	Cohabiting couple: No children	52%	39%	8%	0%
	Cohabiting couple: Dependent children	14%	25%	52%	8%
	Cohabiting couple: All children non-dependent	22%	56%	22%	0%
	Lone parent: Total	8%	31%	56%	5%
	Lone parent: Dependent children	6%	25%	64%	5%
	Lone parent: All children non-dependent	11%	39%	44%	5%
Other household types	Total	26%	26%	35%	14%
	With dependent children	19%	15%	35%	31%
	Other (including all full-time students and all aged 65 and over)	28%	30%	35%	7%
<b>All households</b>		<b>44%</b>	<b>37%</b>	<b>17%</b>	<b>2%</b>

Source: ONS 2011

#### 6.4 Dwelling mix determined by life-stage modelling

#### 6.5 Suggested future dwelling size mix

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

- The starting point is the age distribution of Hatfield Peverel households in 2011.
  - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
  - As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
  - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.

- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
  - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.
  - The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
- Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
  - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.

217. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.

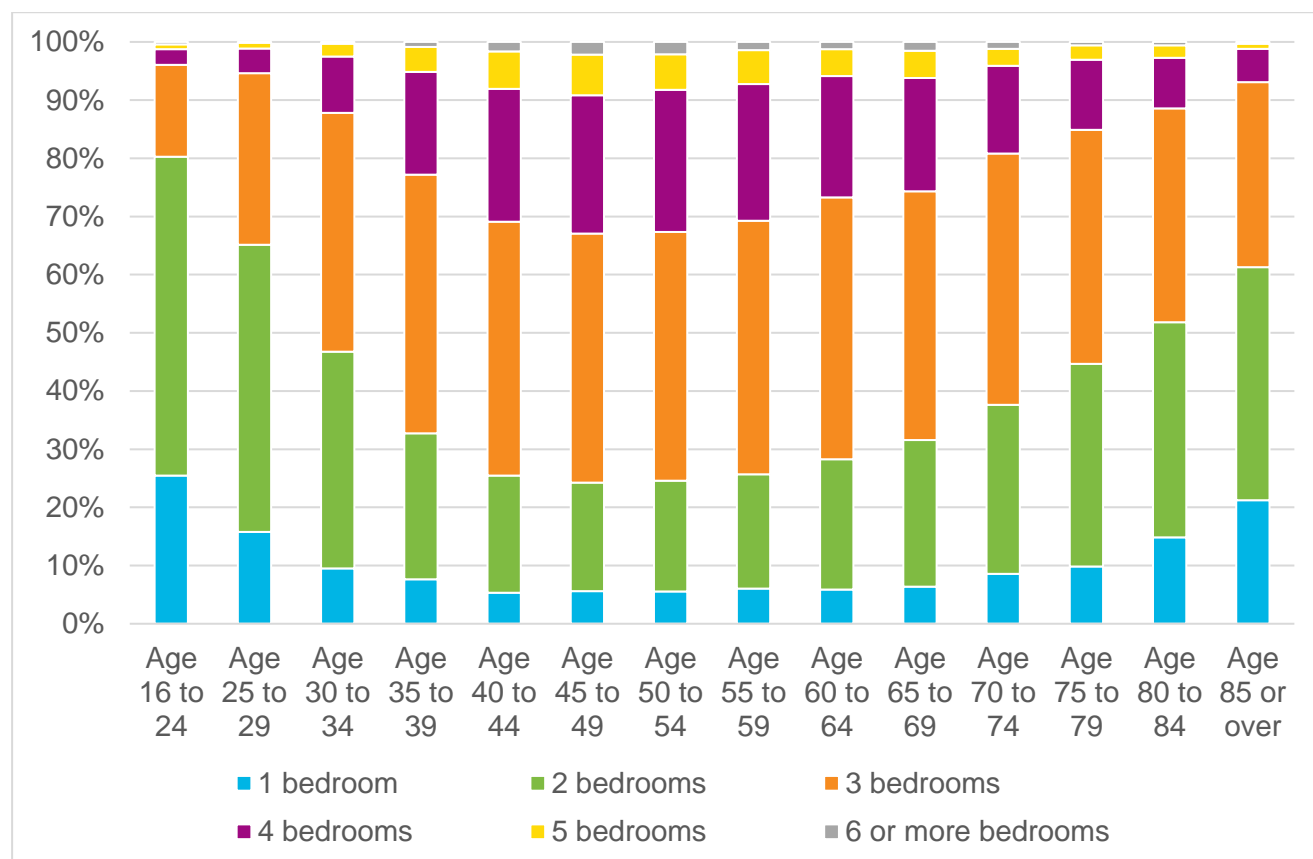
218. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is considered entirely appropriate for the purpose of drafting or revising neighbourhood plan policy.

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

220. The first, given as Figure 6-2 below, sets out the relationship between household life stage and dwelling size for BDC in 2011. This shows how the youngest households occupy the smallest dwellings, before progressively taking up larger homes as their

families expand (with the largest properties occupied by those households with a reference person aged 40-59), and then more gradually downsizing to smaller homes again as they age. It is worth noting that older age groups generally never return to living in as small a property as the youngest households occupy. Properties with 3 or more bedrooms continue to make up 40% of the stock occupied by the over 85s, while it only makes up half that proportion (20%) of the homes of the under 24s. This is a common trend in most communities at this time.

**Figure 6-2: Age of household reference person by dwelling size in BDC, 2011**



Source: ONS 2011, AECOM Calculations

221. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Hatfield Peverel households in 2011 and the updated estimates of household numbers described in the bullets above. Table 6-10 below makes clear that population growth can be expected to be driven by the oldest households over the plan period, with 69% of growth expected in households with a reference person aged 65 or over, followed by households with a reference person aged 55-64. The proportions of all younger households in Hatfield Peverel are expected to shrink over the same period. The most extreme reduction will be seen in households with a reference person under the age of 24, who will decline by 21%. While this is not uncommon in some rural areas, this percentage projected in Hatfield Peverel is high. The two age groups representing the majority of working age adults between 25-64 are also due to decline by 5-6%. This means that Hatfield Peverel's population will age

significantly. By 2038, 46% of households in the NA are projected to have a reference person aged 65 or over.

**Table 6-10: Projected distribution of households by age of HRP, Hatfield Peverel**

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	18	138	685	367	605
2038	14	130	649	394	1,024
% change 2011-2038	-21%	-6%	-5%	7%	69%

Source: AECOM Calculations

222. The final result of this exercise is presented in Table 6-11 below. The model suggests that what the parish requires most in terms of new housing is homes with 3 bedrooms (suggested to make up 65% of new homes), followed by homes with 1 bedroom (23%), and finally with 2 bedrooms (12%). Based on our analysis, new homes with 4 or more bedrooms are not really required, as the supply of these compared to need is already ample.

**Table 6-11: Suggested dwelling size mix to 2038, Hatfield Peverel**

Number of bedrooms	Current mix (2011)	Target mix 2038	Balance of new housing to reach target mix
1 bedroom	5.0%	8.9%	22.6%
2 bedrooms	30.3%	27.5%	12.3%
3 bedrooms	33.5%	41.3%	65.1%
4 bedrooms	23.2%	17.1%	0.0%
5 or more bedrooms	7.9%	5.3%	0.0%

Source: AECOM Calculations

223. However, it is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.

224. For example, the young starter households (including lone or unmarried parents, young persons sharing accommodation etc) and downsizing older households mentioned above may both need ‘mid-sized’ homes but are likely to have extremely different requirements and degrees of purchasing power. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing and who occupies it, but additional guidance and prioritisation could be informed by further primary research.

225. The preceding chapter found that affordability is a challenge in the NA, with the primary need being for affordable home ownership, rather than for affordable rented housing. While the provision of Affordable Housing (particularly for sale in the case of Hatfield

Peverel) 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 and medium sized homes with fewer (1-3) bedrooms would help in some way to address this situation.

226. To best meet the needs of the large and growing cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the smaller and mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.
227. That said, it may not be realistic to expect growing families, most particularly lone parents, or young adults sharing a home, to be able to afford the larger detached and semi-detached homes that are currently under-occupied in the parish. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may however be a strong justification to increase the supply of medium sized homes (particularly with 3 bedrooms), because two different kinds of medium sized home appear to be needed to accommodate growing families with less buying power, as well as those older households wanting to down-size / right-size their home but still retain some spare rooms because they can afford it.
228. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.
229. In the special case of Hatfield Peverel, taking into consideration that so much housing is already permitted and/or under construction, it may be worth surveying the quantity and type of housing already permitted, to see how this matches the quantity and type needed.
230. As an example, taking two of the four major housing schemes marked as currently under construction (180 units to be delivered over the next 5 years and more thereafter) in Hatfield Peverel as listed in the LPA's 5 year housing trajectory (the two other schemes of the four listed as under construction only provide two net additional homes between them so have not been considered here):

231. **Permission: 17/00973 – 50 dwellings - Sorrells Field Bury Lane ("Mulberry Green") – Mix:**

Market Housing – 31 Units

- Two-bedroom: 1
- Three-bedroom: 10
- Four-bedroom: 20

Affordable Housing – 21 Units

- One-bedroom: 2
- Two-bedroom: 17
- Three-bedroom: 2

232. **Permission: 19/00494 – 145 dwellings - Former Arla Dairy Site (Hatfield Grove) – Mix:**

Market Housing – 87 units:

- Two-bedroom: 19
- Three-bedroom: 45
- Four-bedroom: 23

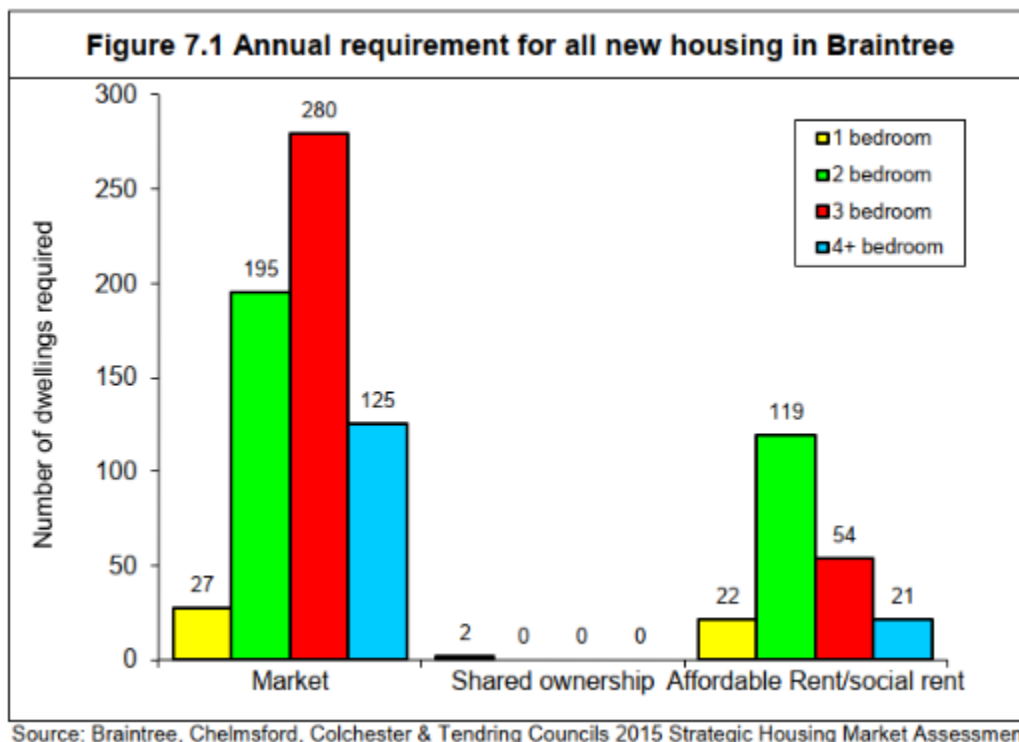
Affordable Housing – 58 units:

- One-bedroom: 9
- Two-bedroom: 48
- Three-bedroom: 1

233. A comparison of these and other permitted schemes and their mix, compared to projected need, can be used to inform further discussions and consultation. It certainly appears that there is a mix of homes being delivered, perhaps with more 4 bedroom dwellings than are truly locally needed and fewer 1-2 bedroom dwellings than are required based on local needs evidence.

## 6.6 The SHMA findings

234. The 2015/16 SHMA Update again has some interesting facts to offer on the subject. However, it should be kept in mind that this assessment is now over 5 years old and that the most detailed data covers all of Braintree, rather than Hatfield Peverel specifically. The following size mix is suggested by the SHMA Update report, for different tenures:



235. Interestingly, this is rather different from the mix we determined for the NA, excepting the large need for 3 bedroom properties for market sale.

## 6.7 Conclusions- Type and Size

236. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby existing and planned / permitted stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

237. The key points from this chapter can be summarized as follows:

238. The dwelling mix in Hatfield Peverel is fairly varied with representation from all types of dwellings. Compared to the rest of the district and the country as a whole, the NA has a significantly higher proportion of bungalows and detached houses (18% and 35% respectively), and also a slightly higher proportion of semi-detached dwellings (28%). Correspondingly, it has significantly fewer flats (8.5%) and terraced homes (9.5%). In the last ten years since the Census, this appears to not have changed very much.

239. The 2011 mix of Hatfield Peverel in terms of the size of dwellings shows that three size categories were then approximately equally predominant, with similar percentages of dwellings having 2, 3 or 4 bedrooms (30%, 34% and 31%). However, since then, based on data from 2020, this mix has changed a little. The already previously visible prominence of 3 bedroom homes increased further, making it more clearly the most

common dwellings size at 40%. 1 and 2 bedroom dwellings still make up the same percentage of the total, with 5% and 30% respectively. However, homes with 4 or more bedrooms have declined as a proportion of the total housing supply to represent only 25% of the total.

240. Compared to the rest of the district and the country, the NA has significantly fewer 1 bedroom homes. Two bedroom homes make up a larger proportion in the NA than across the district and country. Three bedroom homes make up a slightly lower proportion than common across the district and nationally, and 4+ bedroom homes a higher proportion.
241. The age structure of Hatfield Peverel appears to have changed only very slightly since 2011, except for a marginally higher increase in 65-84 year olds (an increase of 4%). The biggest age group in the NA, both at the time of the Census and in 2019, is the 45-64 year olds, making up approximately 30% of the total population of the village. The country and district as a whole have younger populations, with more younger adults under 44 and children, and fewer persons aged 45 and above.
242. In Hatfield Peverel, the vast majority of households are family households (69%) rather than one person households (26%). Most of the family households have dependent children living with them (24% of all households). Within the family category, the second most common group is couples without children (20%). Family households where all members are over 65 or where all children are non-dependent (so older families) make up the same proportion (12% each). One person households aged 65 or over make up 15% and others make up roughly 12%.
243. In terms of occupancy, overall, households in Hatfield Peverel are more likely to be under-occupying than over-occupying their home (81% versus 19%). The highest under-occupancy rating in the NA (i.e. the highest number of spare bedrooms per home) is amongst the 65s and over, 85% of whom tend to have one or two spare rooms on average, with over half (52%) having two or more spare rooms. The age group that is most likely to be overcrowded is the younger adults under 50, of whom 10% over-occupy their home.
244. Under-occupation is most likely for the older households and those without children. All (100%) of family and couple households over 65 in the NA have one or more spare room and the majority of these (67%) having two or more spare rooms. This is followed by couples who are married or in a civil partnership but without children. 98% of these households under-occupy their home, again with the vast majority (75%) having two or more spare rooms. This again is closely followed by cohabiting couples with no children, of whom 91% under-occupy, 52% with two or more spare bedrooms.
245. Over-occupation becomes more prevalent in households with children, particularly amongst those who are not married or in a civil partnership. This includes cohabiting couples with dependent children (8% over-occupying), lone parents (5% over-occupying), and foremost other households with dependent children, 31% of which over-



occupy their home. 7% of other households without dependent children (such as full-time students etc) also over-occupy their homes.

246. This indicates that there would certainly be some room to free up larger properties by offering attractive downsizer housing in Hatfield Peverel to the over 65s. Those groups in most need for larger, more suitable properties are persons who are either lone parents or those sharing a dwelling with someone other than their family or married/civil partnership partner, with or without children.
247. The youngest households occupy the smallest dwellings, before progressively taking up larger homes as their families expand (with the largest properties occupied by those households with a reference person aged 40-59), and then more gradually downsizing to smaller homes again as they age. It is worth noting that amongst the older age groups, households generally never return to living in as a small a property as the youngest households occupy. Properties with 3 or more bedrooms continue to make up 40% of the stock occupied by the over 85s, while it only makes up half that proportion (20%) of the homes of the under 24s. An ample supply of suitable down-sizer accommodation may change this (older person's housing need is a subject which is covered in greater detail in the following chapter).
248. Population growth in Hatfield Peverel can be expected to be driven by the older households over the plan period, with 69% of growth expected in households with a reference person aged 65 or over, followed by households with a reference person aged 55-64. The proportion of all younger households in Hatfield Peverel is expected to shrink over the same period. The most extreme reduction will be seen in households with a reference person under the age of 24, who will decline by 21%. The two age groups representing the majority of working age adults between 25-64 are also due to decline by 5-6%. This means that Hatfield Peverel's population will age significantly. By 2038, 46% of households in the NA are projected to have a reference person aged 65 or over.
249. The model suggests that what the parish requires most in terms of new housing is homes with 3 bedrooms (suggested to make up 65% of new homes), followed by homes with 1 bedroom (23%), and finally with 2 bedrooms (12%). Based on our analysis, new homes with 4 or more bedrooms are not really required, as the supply of these compared to need is already ample. However, it is never advisable to restrict future housing delivery to selected size categories only. Therefore, this should not be applied fixedly and a mix of provision is always useful.
250. In the special case of Hatfield Peverel, taking into consideration that so much housing is already permitted and/or under construction, it may be worth further surveying the quantity and type of housing already permitted (some examples are given within the chapter and more are available through BDC's planning application search webpage<sup>23</sup>

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<sup>23</sup> At <https://www.braintree.gov.uk/planning-building-control/view-comment-planning-applications>

or by requesting the information from BDC), to see how this matches the quantity and type needed. This information should help to guide discussions and consultations.

251. The SHMA is deemed to be of limited use due to its age and the fact that needs across Braintree are not the same as in Hatfield Peverel specifically.

## 7. RQ 3: Specialist housing for older people

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

#### 7.1 Introduction

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

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

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

254. 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.

255. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,<sup>24</sup> which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

256. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the

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<sup>24</sup> Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

projected new households which form the baseline for estimating housing need overall.<sup>25</sup>

257. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).<sup>26</sup> Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for the elderly) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.

### 7.1.1 Current supply of specialist housing for older people

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

259. Table 7-1 below counts a total of 12 units of specialist accommodation in the NA at present, all within a single scheme. All units are available for social rent for those in financial need, with none offered for private rent or market purchase. The size of units is an unspecified mix of one and two bedroom units. Therefore, the current provision is rather small and homogenous with no housing with care, no larger specialist older persons’ accommodation, and no private rented or home ownership options. Also, as all units are within one scheme, no choice of scheme is available.

260. ONS 2019 population estimates suggest that there are currently around 586 individuals aged 75 or over in Hatfield Peverel. This suggests that current provision is in the region of 20.5 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

**Table 7-1: Existing specialist housing for the elderly in Hatfield Peverel**

Name	Description	Bed spaces	Tenure	Type
Norah Guilder House	12 flats (1 bed and 2 bed, unclear how many of each)	Between 12-24 – exact number unclear	100% social rented	Age-restricted (unspecified, likely to be sheltered or other retirement living, but not ExtraCare);  Facilities include visiting management staff and an alarm service

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

<sup>25</sup> See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

<sup>26</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)

### 7.1.2 Tenure-led projections

261. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across BDC, as this is the most recent and smallest geography for which tenure by age bracket data is available.
262. 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 2038. 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.
263. According to Table 7-2 below, the vast majority of over 55s in the local authority area own their own home (nearly 80%), with most of them owning their home outright (54% of all households over 55). The second most common tenure is owning with a mortgage or shared ownership (25%), followed by 14% who live in affordable rented accommodation. The least common tenures for over 55s in BDC are private renting (at 6%) and living rent free (1%).

**Table 7-2: Tenure of households aged 55-75 in BDC, 2011**

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
79.1%	54.1%	25.0%	20.9%	14.1%	5.9%	0.9%

Source: Census 2011

264. The next step is to project how the overall number of older people in Hatfield Peverel is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for BDC at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 7-3 below. This shows that, based on the results of the model, the proportion of households over 75 in Hatfield Peverel is projected to almost double, from 13% to 23% percent. The proportion of households over 75 is already much higher in 2011 in the NA than across Braintree as a whole (where in 2011, over 75s made up just under 8% of households). By the end of the plan period, the proportion of the elderly is projected to increase in both the NA and the district (14% in Braintree by 2038). The projected proportion of over 75s in Hatfield Peverel by 2038 makes up almost a quarter of the total population and is thus very significant.

**Table 7-3: Modelled projection of 75+ population by end of Plan period**

Age group	2011		2038	
	Hatfield Peverel	Braintree	Hatfield Peverel	Braintree
All ages	4,376	147,084	4,747	159,544
75+	555	11,380	1,085	22,253
%	12.7%	7.7%	22.9%	13.9%

Source: ONS SNPP 2016, AECOM Calculations

265. A key assumption for the next stages of the calculation is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, especially as the elderly population is already significant in the NA and the specialist accommodation offer is so small and homogenous. However, 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).
266. The people whose needs are the focus of the subsequent analysis are therefore the additional 530 individuals expected to join the 75+ age group of the NA by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in BDC in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 11,380 individuals in the local authority area, aged 75+ and 7,951 households headed by a person in that age group. The average household size is therefore 1.43, and the projected growth of 530 people in Hatfield Peverel can be estimated to be formed into around 371 households. This shows that a large number of the projected over 75s households are expected to be single households.
267. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above – who will make up the over 75s cohort by the end of the plan period). This is set out in Table 7-4 below. The table provides a breakdown of which tenures those households are likely to need. Again, this shows that the majority of older persons are likely to want to own their property outright (4 times as many households as are likely to occupy affordable/social rented properties).

**Table 7-4: Projected tenure of households aged 75+ in Hatfield Peverel to the end of the Plan period**

Owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living rent free
293	201	93	77	52	22	3

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

268. Next, rates of disability by tenure are considered. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector (as evidenced by the fact that the only specialist elderly accommodation in Hatfield Peverel at the moment is 100% social rented). Table 7-5 below presents tenure and mobility data for Hatfield Peverel from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

**Table 7-5: Tenure and mobility limitations of those aged 65+ in Hatfield Peverel, 2011**

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
<b>All categories: Tenure</b>	915	176	231	508	915	176	231
<b>Owned or shared ownership: Total</b>	721	118	181	422	721	118	181
Owned: Owned outright	656	103	166	387	656	103	166
Owned: Owned with a mortgage or loan or shared ownership	65	15	15	35	65	15	15
<b>Rented or living rent free: Total</b>	194	58	50	86	194	58	50
Rented: Social rented	147	46	41	60	147	46	41
Rented: Private rented or living rent free	47	12	9	26	47	12	9

Source: DC3408EW Health status

269. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs in Hatfield Peverel. The number of households falling into potential need for specialist accommodation over the Plan period in the NA is 71 (which is 23 renters + 48 owner occupiers).

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

with explicit aim to reduce the need to commission increasing numbers of care home beds.

**Table 7-6: AECOM estimate of specialist housing need in Hatfield Peverel by the end of the Plan period**

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	<i>Multiply the number of people across all rented (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) housing by the percent in that tenure who have day to day activity limitations limited a lot.</i>	<i>Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a lot.</i>	<b>71</b>
	23	48	
Adaptations, sheltered, or retirement living	<i>Multiply the number of people across all rented housing by the percent who have day to day activity limitations limited a little.</i>	<i>Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a little.</i>	<b>94</b>
	20	74	
<b>Total</b>	<b>43</b>	<b>122</b>	<b>165</b>

Source: Census 2011, AECOM Calculations

### 7.1.3 Housing LIN-recommended provision

271. 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 7-7 below reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.



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

FORM OF PROVISION	ESTIMATE OF DEMAND PER THOUSAND OF THE RELEVANT 75+ POPULATION
Conventional sheltered housing to rent	60
Leasehold sheltered housing	120
Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) <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

272. As Table 7-3 shows, Hatfield Peverel is forecast to see an increase of 530 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent =  $60 \times 0.53 = 32$  (note that 0.53 is the total of 530 divided by 1,000 head of population)
- Leasehold sheltered housing =  $120 \times 0.53 = 64$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) =  $20 \times 0.53 = 10.61$
- Extra care housing for rent =  $15 \times 0.53 = 7.95$
- Extra care housing for sale =  $30 \times 0.53 = 15.91$
- Housing based provision for dementia =  $6 \times 0.53 = 3.18$

273. This produces an overall total of 133 specialist dwellings which might be required by the end of the plan period (so a slightly lower number than the AECOM model, but still showing significant need).

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

**Table 7-8: HLIN estimate of specialist housing need in Hatfield Peverel by the end of the Plan period**

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	<i>Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia</i>	<i>Includes: enhanced sheltered housing for sale + extra care housing for sale</i>	<b>38</b>
	16.44	21.21	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	<b>95</b>
	32	64	
<b>Total</b>	<b>48</b>	<b>85</b>	<b>133</b>

Source: Housing LIN, AECOM calculations

## 7.2 SHMA findings

275. The SHMA contains some relevant information in relation to housing for older people. The population aged 65+ in the HMA is larger than found regionally and nationally. However, in Braintree, based on the 2011 Census, the population of over 65s is close to the national average. As shown above, in Hatfield Peverel this proportion is significantly above the Braintree and national average.
276. The SHMA has a specific section on Housing for Older People. It shows data for the HMA and Braintree that is similar to what is described above for Hatfield Peverel, in terms of the proportion of older households; the prevalence of owner occupation amongst these households; the rise in the proportion of older households, single older households, and in persons with health issues; and the more than average likelihood of older households having spare bedrooms in their home. Also, as for the NA, the SHMA projects a dramatic increase of older persons across the district and the HMA. Braintree is projected to experience an increase of 51% of its over 65s population to 2037.
277. As the AECOM analysis does for the NA, the SHMA projects a high and rising need for specialist older persons accommodation for Braintree and across the HMA. The current supply across Braintree of specialist accommodation at the time of the SHMA (2015) was 144 units per 1,000 residents over 75 (showing that provision in Hatfield Peverel, of 20.5 units per 1,000 population of over 75s is very significantly below the Braintree average and even further below the base recommended within the Strategic Housing for Older People tool quoted in the SHMA, of 170 units per 1,000 people).
278. The SHMA states, in terms of additional specialist older persons' accommodation needed across the HMA, "If it is presumed that occupation patterns remain at current levels then there is a requirement for 7,746 additional specialist units of which 7,157 should be sheltered housing and 319 extra care housing. The requirement for 7,746 additional specialist units for older people represents 10.4% of the total Objectively

*Assessed Need for the period 2014 to 2037. If it is assumed that occupation rates increase to a rate of 170 per 1,000 people 75 or over then 13,021 additional specialist units are required which constitutes 18.0% of the total Objectively Assessed Need”.*

### 7.3 Conclusions- Specialist Housing for the Older People

279. As shown above, the current specialist accommodation offer is very significantly below the average offer available to older persons across the district, and even more significantly below what is recommended to be available (20.5 units available per 1,000 persons over 75 in the NA, compared to 144 units across Braintree and 170 units recommended).
280. Hatfield Peverel's population has a significantly higher than average proportion of over 65 and over 75 year old persons and households. The proportion of older and single older households, as well as of persons with health issues and/or a disability, is further projected to increase over the plan period.
281. The current offer of specialist housing, of only 12 units in one scheme, is very homogenous with 100% of the units available being for social rent, all offering either 1 and 2 bedrooms, no care, and no choice of scheme. In contrast, there is a high and rising proportion of older persons in the NA, with an increasing proportion who will require care at some point in their lives (although not all older persons will). Furthermore, the majority of older persons in the NA are owner occupiers rather than social renters (with 4 times as many households likely to wish to own outright rather than occupy affordable/social rented properties) and have a tendency to under-occupy larger units.
282. 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.
283. These two methods of estimating the future need in Hatfield Peverel produce a range of between 133 and 165 specialist accommodation units that might be required during the Plan period, with the majority in both models projected to be needed as adaptations, sheltered, or retirement living (57- 71%), but also a significant proportion needed as Extra Care or other accommodation offering care (29-43%). 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. In Hatfield Peverel it is very likely that at least some older households are not already appropriately accommodated, considering the low and homogenous offer of older persons' accommodation available per head of population. Therefore, it is likely there will be a backlog of demand, which would justify provision at the higher end of the range presented.

284. It is not known to AECOM whether any of the large number of schemes already permitted and/or under construction in the NA will meet some of this need. Within BDCs 5-year housing supply report, no schemes are marked as delivering net additional specialist older persons' housing. HPPC may wish to contact BDC to discuss whether they know of any appropriate schemes in the pipeline and whether they are likely to meet the needs evidenced above for a greater volume and variety of older persons' accommodation in Hatfield Peverel. If not, alternative forms of delivery, such as community-led or self-build schemes could be facilitated by the NP plan steering group.
285. In terms of tenure, approximately half of all units with care (48%) are likely to be needed as affordable, and half as market provision. For adaptations, sheltered or retirement living accommodation, just under a third (27%) is needed as affordable housing, with the remaining two thirds as market housing. Note that HPPC is unlikely to be able to set the tenure of such provision, as this is usually decided by the Local Plan general affordable housing policy (e.g. adopted CS 2 Affordable Housing and emerging LLP 33 Affordable Housing). However, as the only known supply of specialist older persons housing is all for social rent, the NP might want to encourage filling the gap in the market, such as for older persons' housing for market and / or affordable sale. As the main unmet need in the NA is for market sheltered housing, some of this need might also be satisfied by making sure all new housing is accessible and adaptable for people with lower support needs.
286. Given that it is unclear whether sufficient volume and variety of additional specialist supply will become available during the Plan period, as a high volume of development is already committed but none of it is known to be specialist housing, an avenue open to the Neighbourhood Plan is to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan or the made NP, and to encourage the adaptation of existing properties through grant schemes and other means. However, it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock.
287. Adopted Local Plan policies RLP 19 Sheltered Housing and RLP 22 Accessible Housing and Lifetime Housing, as well as made NP policies HO1 and HO2, and emerging Local Plan policy LLP 35 Specialist housing all provide encouragement for development to accommodate specific groups such as older people and for new dwellings to be capable of adaptation to meet the needs of people with disabilities. The made HPNP's Policy HO2 also requires that at least one unit in 10 on major developments meets the national standards for wheelchair users (Category M4(3)). The evidence gathered here would appear to justify this target, as well as justify potentially adding a higher target in the Neighbourhood Plan on accessibility and adaptability (Category M4(2)), if this has the support of the LPA.
288. It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered

here would further justify this. The proportion of new housing that might accommodate those using wheelchairs (current a 10% requirement for all major development and a 100% requirement for specialist accommodation) might be reviewed with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey.

289. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
  - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
  - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
290. This is already acknowledged through the requirements of made HPNP policy HO2.
291. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
292. As the NA is a semi-rural area, containing two villages and surrounding rural areas and no towns, but has access to some services and its own station at Hatfield Peverel as well as bus connections from the parish to Chelmsford and other destinations, it is considered that Hatfield Peverel may, in broad terms, be a reasonably suitable location for specialist accommodation on the basis of the accessibility criteria. However, on the basis of cost-effectiveness it may be a less suitable location. As such, there is potential for specialist accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Hatfield Peverel in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable or likely more viable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself.
293. It is worth noting that recent planning approvals in the parish have occupied sites within or adjacent to the development boundary at many of the closest points in terms of access to facilities, leaving potentially fewer options that are suitable on those terms.
294. If all the accommodation was provided in a nearby larger settlement such as Chelmsford or Witham to meet the specialist housing need arising from the Neighbourhood Plan area, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would not overlap.

295. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life. Partnership working with other parish and town councils and with BDC is also recommended in ensuring need is adequately catered for, offering sufficient volume and choice to Hatfield Peverel residents.

## 8. Conclusions

### 8.1 Overview

296. Table 8-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

**Table 8-1: Summary of study findings specific to Hatfield Peverel with a potential impact on Neighbourhood Plan housing policies**

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Quantity of housing to plan for	<p>BDC has given HPPC an indicative target of between 492 to 656 homes up to 2038.</p> <p>BDC also states that alternatively, an NP HNA (our report) could be commissioned.</p> <p>In practice, development pressure in the area may mean that more homes are likely to be built in the NA. Braintree's Five year supply housing trajectory 2021-2026 shows that in Hatfield Peverel, in 2021-26 on sites under construction or with permission, 485 dwellings are to be delivered over the coming 5 years alone, with even more dwellings permitted to be delivered over the plan period.</p> <p>The annual expected minimum rate of construction is 97 dwellings, showing the significant development pressure in this location (if this rate was sustained over the plan period to 2038, a total of 1,649 units would be delivered).</p>	<p>Technically, based on the number of units already permitted and/or under construction in the NA, and based on the semi-rural nature of the NA, depending on where in the indicative range BDC place the final housing requirement figure (HRF) for Hatfield Peverel, the village may have little or no outstanding housing requirement over its NP period. This should be discussed with BDC, as it has a significant impact on the level of influence that HPPC may or may not have over future housing delivery, affordable housing delivery, type and tenure mix to address the needs evidenced in our report.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Quantity of affordable housing to plan for</p>	<p>The latest SHMA 2015/2016, based on vacancy assumptions, states that 25.8% of all dwellings needed should be affordable, largely for social/affordable rent. It thus suggests a 30% affordable housing target. When the SHMA figures are pro-rated to Hatfield Peverel, based on its fair share of the population, this equates to 6.54 homes per annum for Hatfield Peverel (predominately for social/affordable rent) or 111.18 homes over the Neighbourhood Plan period of 17 years from 2021-2038. However, pro-rating District level estimates of affordable housing need to rural areas presents problems in practice.</p> <p>Using PPG as a starting point, as well as housing waiting list data, bidding data, and affordable housing supply data from BDC, an estimate of the total need for affordable rented housing in Hatfield Peverel over the Plan period is made by AECOM.</p> <p>BDC, in its StatNav data summary on Hatfield Peverel, states that there were 26 households registered for housing association homes with a current address in Hatfield Peverel and the surrounding villages (Jan 2021).</p> <p>At the same time, there are 277 affordable homes available to rent in the NA.</p>	<p>Based on AECOM analysis there is a total need for affordable rented homes of 49 units over the plan period. Based on the assumption that on average 3-5% of affordable homes are available for relet per year, at least 8.3 affordable relets should be available in the area on average per year in the parish, equating to 141 unit relets for the plan period. This results in a surplus of affordable housing predicted in the parish of 4.8 units per year, equating to 82 units over the plan period.</p> <p>However, assuming that backlog needs will be addressed over the Plan period may not be ideal.</p> <p>Also general experience and BDC bidding information indicate a potential mismatch between supply and demand of affordable homes. As such, it is recommended that Hatfield Peverel considers encouraging the delivery of some affordable rented housing to meet needs at the start of the plan period, best concentrated mainly on middle sized houses, with some smaller flats and a limited number of other housing types and sizes.</p> <p>The result of AECOM calculations is 8.6 households per annum who may be interested in affordable home ownership (or 142 for the Plan period).</p> <p>Again, this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA.</p> <p>If quantity of new housing were unlimited, 26 units of affordable rented housing to be front-loaded would be ideal, with 142 units of affordable housing for sale over the plan period (168 units; 16% rented; 85% for sale).</p>



Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Housing tenure and affordability</p>	<p>Average house sale prices are wholly unaffordable on average NA incomes. Households on two lower quartile incomes are even less able to afford to own a property in the NA. The only tenures affordable to such households would be to rent (private, affordable or social rent) or a shared ownership home at the lowest share of ownership possible. Households on a single lower quartile income would on average not even be able to afford a social rented property without recourse to benefits.</p> <p>Hatfield Peverel has higher than national average levels of owner occupation, and lower percentages of private and social renting. Shared ownership makes up the smallest percentage of households. Social renting is the second most popular tenure, after home ownership.</p> <p>Those on average incomes who do not already own their own home or a large deposit, will not be able to afford to buy their own home in Hatfield Peverel, but they will be able to rent in the market. The only affordable ways to home ownership on an average income in Hatfield Peverel are either through shared ownership at 10 or 25% or through a discount market sale scheme, which would have to offer a minimum discount of at least 45%. A discount level recommended for First Homes in the NA is the maximum of 50%, if this is viable.</p>	<p>If the Local Plan target of 40% were achieved on every site, 197-262 affordable homes might be expected in the NA across the plan period, based on an indicative BDC housing requirement of 492 to 656.</p> <p>In Hatfield Peverel, a large number of units are already permitted or under construction (485 dwellings over next 5 years alone, with further units permitted for later delivery in the plan period). 40% of units under construction will be affordable. While it is likely that need for affordable housing is already being met in the NA over the plan period, HPPC are unlikely to have any say over the amount or mix delivered.</p> <p>An indicative tenure mix has been provided. Based on local needs, this proposes 90% of affordable homes to be offered for rent and 10% for sale. This is in conformity with the adopted and emerging Local Plan and what this HNA determines to be appropriate to meet the NA's needs without taking into account any role the NA is to play in meeting needs of a wider area. It also incorporates a 25% First Homes requirement, aligning with national policy.</p> <p>HPPC may wish to discuss what their remaining housing requirement is likely to be over the plan period, as this may be limited or zero in light of high current permission and construction rates, and how it is recommended that their need for affordable housing for sale will be met. If this will not be met through developer contributions or provisions, alternative forms of delivery could be explored, such as through a community-led housing scheme.</p>

<p>Housing type and size</p>	<p>The dwelling mix in Hatfield Peverel is varied, with a much higher proportion than average of bungalows and detached houses, a slightly higher proportion of semi-detached dwellings, and significantly fewer flats and terraces.</p> <p>In 2011 a third of dwellings had 2, 3 or 4 bedrooms respectively. Now, 3 bedroom homes are the most common dwellings size and there is a lower proportion of 4 + bedrooms than before.</p> <p>The NA has significantly fewer 1 and 3 bedroom homes than across the district and country, and more 2 and 4+ bedroom homes.</p> <p>45-64 year olds are the biggest age group, making up about a third of the total population on the NA. The country and district have younger populations.</p> <p>Most households are family households rather than one person. Most family households have dependent children. The second most common group is couples without children. There are more one person households aged 65 or over than others single households.</p> <p>Households in Hatfield Peverel are more likely to be under-occupying than over-occupying their home (81% versus 19%). Under-occupation is most likely for the older households and those without children. Over-occupation is more prevalent in households with children, particularly amongst those who are not married or in a civil partnership, and in other households (such as full-time students etc).</p> <p>Generally, the youngest households occupy the smallest dwellings, taking up larger homes as families expand and gradually downsizing a little to smaller homes as they age (but never to as small properties as households under 24).</p> <p>Population growth is expected to be driven by the oldest households. The proportion of all younger households is expected to shrink, with the greatest reduction in the under 24 age group, followed by adults between 25-64. The NA's population will age significantly.</p>	<p>AECOM analysis indicates that there is certainly some room to free up larger properties by offering attractive downsizer housing to the over 65s. The groups in most need for larger, more suitable properties are persons who are either lone parents or those sharing a dwelling with someone other than their family or married/civil partnership partner, with or without children.</p> <p>The model suggests that what the parish requires most in terms of new housing is homes with 3 bedrooms (suggested to make up 65% of new homes), followed by homes with 1 bedroom (23%), and finally with 2 bedrooms (12%). Based on our analysis, new homes with 4 or more bedrooms are not really required, as the supply of these compared to need is already ample. However, no category should be excluded and a mix provided overall.</p> <p>In the special case of Hatfield Peverel, taking into consideration that so much housing is already permitted and/or under construction, it may be worth surveying the quantity and type of housing already permitted (some examples are given within the chapter and more are available through BDC's planning application search webpage<sup>27</sup> or by requesting the information from BDC), to see how this matches the quantity and type needed. This information should help to guide discussions and consultations.</p>
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<sup>27</sup> At <https://www.braintree.gov.uk/planning-building-control/view-comment-planning-applications>

<p>Specialist housing for older people</p>	<p>The current specialist accommodation offer is very significantly below the average offer available to older persons across the district, and even more significantly below what is recommended to be available.</p> <p>The current offer of specialist housing, of only 12 units, all in one scheme, is very homogenous with 100% of the units available being for social rent, all offering either 1 and 2 bedrooms and no care. There is currently no specialist older persons housing in Hatfield Peverel offering care, no larger specialist accommodation, and no private rented or home ownership options.</p> <p>There is a high and rising population of older person and persons requiring care. The majority of older persons in the NA are owner occupiers rather than social renters (with 4 times as many households likely to wish to own outright rather than occupy affordable/social rented properties) and have a tendency to under-occupy larger units.</p> <p>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.</p>	<p>Hatfield Peverel is projected to need between 133 and 165 specialist accommodation units during the plan period, with the majority projected to be needed as adaptations, sheltered, or retirement living, but also a significant proportion needed as accommodation offering care (29-43%).</p> <p>It is also likely there will be a backlog of demand, which would justify provision at the higher end of the range presented.</p> <p>It is not known to AECOM whether any of the large number of schemes already permitted and/or under construction in the NA will meet some of this need, which should be discussed with BDC. If not, alternative forms of delivery, such as community-led or self-build schemes could be facilitated by the NP.</p> <p>About half of all units with care are likely to be needed as affordable. For adaptations, sheltered or retirement living accommodation, just under a third is needed as affordable housing. The rest should be provided as market housing.</p> <p>As current provision is only for social rent, the NP might want to encourage providing older persons' housing for sale, some larger units, and /or some units with care. Some of the need for market sheltered housing might also be satisfied by making sure all new housing is accessible and adaptable.</p> <p>Adopted LP and NP policies encourage older persons housing and adaptability. Made HPNP Policy HO2 also requires that at least one unit in 10 on major developments meets the national standards for wheelchair users (Category M4(3)). The evidence gathered here would appear to justify this target, as well as justify potentially adding a higher NP target on accessibility and adaptability (Category M4(2)) if BDC supports this.</p> <p>As the NA is a semi-rural area with its own station and bus connections available, it may be a reasonably suitable location for specialist accommodation on the basis of accessibility. However, based on cost-effectiveness it may be less suitable. Specialist housing could be provided fully in the NA or partially in nearby larger settlement (e.g. Chelmsford or Witham).</p> <p>Partnership working with specialist developers, other parish and town councils and with BDC is recommended.</p>
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## 8.2 Recommendations for next steps

297. This Neighbourhood Plan housing needs assessment aims to provide Hatfield Peverel 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 BDC 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 BDC;
- 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 BDC.

298. 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.

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

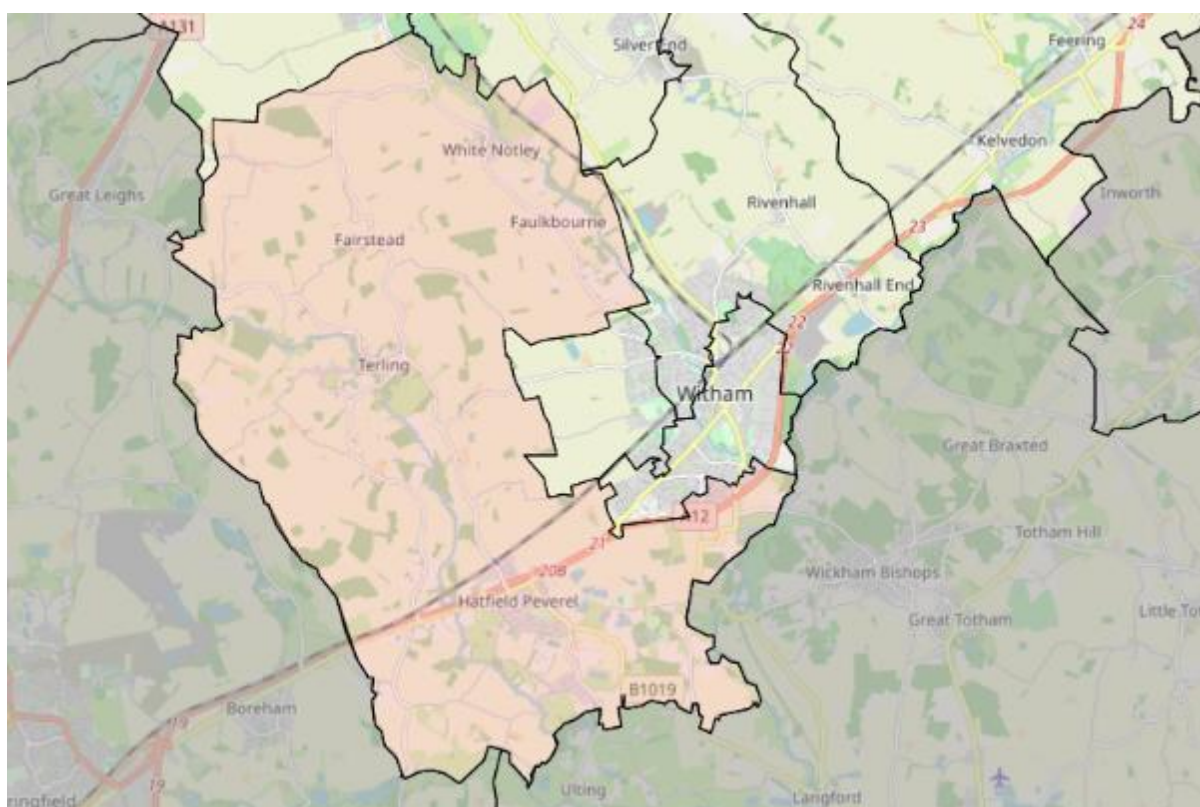
300. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

## Appendix A : Calculation of Affordability Thresholds

### A.1 Assessment geography

301. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Plan area. Such data is available at MSOA level but not at the level of neighbourhood plan areas.
302. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Hatfield Peverel, it is considered that the MSOA Braintree 018 (E02004463) is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. This has the highest overlap of all MSOAs with the NA.
303. A map of the parish of MSOA Braintree 018 appears below in Figure 8-1.

**Figure 8-1: MSOA Braintree 018 used as a best-fit geographical proxy for the Neighbourhood Plan area**



Source: ONS

### A.2 Market housing

304. Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.
305. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income

that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

#### i) Market sales

306. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
307. 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 Hatfield Peverel, 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.
308. The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2020) = £340,000;
  - Purchase deposit at 10% of value = £34,000;
  - Value of dwelling for mortgage purposes = £306,000;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £87,429.
309. 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 2020 was £260,000, and the purchase threshold is therefore £66,857.
310. Finally, it is 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 no sales of new build properties in the NA in 2020. Therefore, we have used the average for the local authority area of Braintree instead. Here, the average sale price for a new build was 348,989, which means a purchase threshold of 89,740 for a new build property in the wider local authority area.

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

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

312. 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.
313. The property website <https://www.rightmove.co.uk/> shows rental values for only 4 properties in the Neighbourhood Plan area. The best available data is therefore derived from properties available for rent within a wider radius of 1 mile beyond the parish boundary, the areas serving as a reasonable proxy for the NA. This includes properties in Little Baddow, Terling, and the western outskirts of Witham. As the proxy area forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.
314. According to [home.co.uk](https://www.home.co.uk), there were 17 properties for rent at the time of search in June 2021, 4 of which had 2 bedrooms (a reasonable proxy for entry-level properties). The average monthly rent of the sample of 17 properties was £1,000. For the 4 two-bed properties listed, the average price was £913 per calendar month.
315. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £913 x 12 = £10,950;
  - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £36,500.
316. The calculation is repeated for the overall average to give an income threshold of £40,000.

### A.3 Affordable Housing

317. There are a range of tenures that constitute the definition of Affordable Housing within the 2021 NPPF: 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

318. 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.

319. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Hatfield Peverel. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for BDC in the table below.
320. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

**Table A-1: Social rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£82.74	£95.67	£102.93	£119.56	<b>£96.89</b>
Annual average	£4,302	£4,975	£5,352	£6,217	<b>£5,038</b>
Income needed	£17,210	£19,899	£21,409	£24,868	<b>£20,153</b>

Source: Homes England, AECOM Calculations

ii) Affordable rent

321. 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).
322. 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%.
323. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for BDC. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
324. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in Hatfield Peverel are actually closer to 63% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.



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

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£107.07	£132.69	£159.92	£185.75	<b>£132.00</b>
Annual average	£5,568	£6,900	£8,316	£9,659	<b>£6,864</b>
Income needed	£22,271	£27,600	£33,263	£38,636	<b>£27,456</b>

Source: Homes England, AECOM Calculations

### iii) Affordable home ownership

325. 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.
326. 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

327. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.
328. The starting point for these calculations is therefore the estimated median cost of new build housing in the local authority area noted above of £348,989
329. For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (LA average) = £340,000
  - Discounted by 30% = £244,292;
  - Purchase deposit at 10% of value = £24,429;
  - Value of dwelling for mortgage purposes = £219,863;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £62,818.
330. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £53,844 and £44,870 respectively.
331. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

332. 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 £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in Hatfield Peverel.

### **Shared ownership**

333. 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'.

334. 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.

335. To determine the affordability of shared ownership, calculations are again based on the estimated costs of newly built property. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

336. The affordability threshold for a new build property at a 25% equity share is calculated as follows:

- A 25% equity share of £349,989 is £87,247;
- A 10% deposit of £8,725 is deducted, leaving a mortgage value of £78,523;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £22,435;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £6,544;
- The estimated annual rent at 2.5% of the unsold value is £6,544;
- This requires an income of £21,812 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £44,247 (£22,435 plus £21,812).

337. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £35,148 and £59,411 respectively. All of these thresholds are below the £80,000 cap for eligible households.

### **Rent to buy**

338. Rent to buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent 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 equity in the property with a portion of the rent, but this portion is still a monthly outgoing for the occupant.

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

339. 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.

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

## Appendix B : Housing Needs Assessment Glossary

### Adoption

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

### Affordability

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

### Affordability Ratio

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

### Affordable Housing (NPPF Definition)

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

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

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

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

### Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods<sup>28</sup>.

### Age-Restricted General Market Housing

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<sup>28</sup> The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

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

### **Annual Monitoring Report**

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

### **Basic Conditions**

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

### **Backlog need**

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

### **Bedroom Standard<sup>29</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.

### **Co-living**

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

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

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

### **Community Right to Build Order<sup>30</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>31</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 elderly parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

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<sup>29</sup> See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

<sup>30</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>31</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)

### **Equity Loans/Shared Equity**

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

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

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

### **Fair Share**

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

### **First Homes**

The Government has recently confirmed the introduction of First Homes as a new form of discounted market housing which will provide a discount of at least 30% on the price of new homes. 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>32</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 the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

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

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

### **Overcrowding**

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

### **Planning Condition**

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

### **Planning Obligation**

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

### **Purchase Threshold**

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

### **Proportionate and Robust Evidence**

Proportionate and robust evidence is evidence which is deemed appropriate in scale, scope and depth for the purposes of neighbourhood planning, sufficient so as to meet the Basic Conditions, as well as robust enough to withstand legal challenge.

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<sup>32</sup> See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

It is referred to a number of times in the PPG and its definition and interpretation relies on the judgement of professionals such as Neighbourhood Plan Examiners.

### **Private Rented**

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

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

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

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

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

### **Rightsizing**

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

### **Rural Exception Sites**

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

### **Shared Ownership**

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

### **Sheltered Housing<sup>33</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 usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

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<sup>33</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

### **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 the Elderly**

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

### **Social Rented Housing**

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.<sup>34</sup>

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<sup>34</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

