

Draft for Locality Comment



Tiverton Housing Needs Assessment (HNA)

September 2019

Quality information

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
HNA	Housing Needs Assessment
HNF	Housing Need Figure
Housing LIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
LQAR	Lower Quartile Affordability Ratio
LTHPD	Long-Term Health Problem or Disability
MAR	Median Affordability Ratio
MDDC	Mid Devon District Council
MH	Market Housing
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood (Plan) Area
NDO	Neighbourhood Development Order
NDP	Neighbourhood Development Plan
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
TTC	Tiverton Town Council
VOA	Valuation Office Agency

1. Executive Summary

1.1 Introduction

Tiverton Town Council commissioned from Locality a Housing Needs Assessment (HNA) to inform their emerging Neighbourhood Plan. In consultation with the neighbourhood planning group, we developed three research questions (RQs) for the HNA to answer. The RQs serve to direct our research into the key neighbourhood-level issues and provide the structure for the study.

1.2 Research Questions

Research Questions, abbreviated to 'RQ'; are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct our research and provide the structure for the HNA.

Below we set out the RQs relevant to this study, as discussed and agreed with Tiverton.

1.2.1 Tenure and Affordability

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.

This evidence will allow Tiverton 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.

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

1.2.2 Type and Size

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

The aim of this research question is to provide neighbourhood planners with robust evidence on the types and sizes needed by the local community. This will ensure future development truly reflects what residents need.

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

1.2.3 Housing for Newly-forming households/first-time buyers

The neighbourhood planning group is keen to ensure that there is an adequate supply of affordable and suitable dwellings for first-time buyers in the Neighbourhood Plan area, given the well-attested difficulties that younger people have been facing, compared with previous generations, in getting on the home ownership ladder. As such it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Plan area retains its younger population.

RQ 3: What provision should be made in terms of housing for newly forming households/first-time buyers over the Neighbourhood Plan period?

1.2.4 Specialist Housing for older and disabled people

The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older and disabled people. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – such as smaller units, independent living provision, and so forth – rather than just care homes. There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for the elderly through the Plan period.

RQ 4: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

1.3 Findings of RQ1: Tenure and Affordability

At present home ownership is the most popular form of tenure in Tiverton, followed by Social and Private Rented accommodation.

Over the inter-census period, the number of those renting privately has increased dramatically. This could be down to several reasons such as potential buyers being priced out of home ownership, younger generations seeking the greater flexibility associated with Private Rent and an increase in buy-to-let investors.

Shared Ownership has also increased significantly thanks to a government-backed scheme relaunched in the last 10 years.

House prices in Tiverton have grown at a steady rate between 2009 and 2018, increasing by an average of 28%, higher than both district and national rates. Semi-detached homes within the NA have seen the most significant increase in price, followed by terraced and detached homes.

The median and lower quartile annual household income within the Neighbourhood Plan area are £27,567 and £18,709 respectively. Comparing these affordability thresholds with costs of each tenure, it is clear that the most affordable forms of tenure in Tiverton are Social Rent, Affordable Rent and Shared Ownership at 25% and 50%.

The Exeter Housing Market SHMA advises building more low cost market housing within the District to assist first time buyers. It also weights the tenure mix balance in favour of Social rent over Intermediate housing (75:25), to account for those unable to afford Private Rent. The recommended tenure mix takes this ratio into account with a similar split (60:40) between Social Rent and Intermediate Housing. It is important to note however the SHMA tenure split is based on an average of the data taken from all Exeter Housing Market Areas and therefore isn't directly comparable with the NA tenure split.

Mid Devon District Council provides a quantity figure of 2,358 dwellings to be provided in Tiverton over the Neighbourhood Plan period. Local Policy requires that 30% of these or 707 homes should be affordable. In terms of a tenure split, we recommend 40% offer routes to home ownership (10% Starter Homes and 30% Shared Ownership at 25% and 50%) and 60% offer Affordable Housing for rent in the form of Social Rent.

The final recommended tenure split for affordable housing is set out below.

Recommended tenure split (Affordable Housing)

Routes to home ownership, of which	40%
Starter Homes	10%
Shared Ownership (at 25%)	20%
Shared Ownership (at 50%)	10%
Affordable Housing for rent, of which	60%
Social Rent	60

Source: AECOM calculations

1.4 Findings of RQ2: Type and Size

In terms of type, Tiverton is currently characterised by a high proportion of 'Whole houses and bungalows', split equally between detached, semi-detached and terraced dwellings. These are likely to be small to medium sized homes of 4-6 rooms.

Over the inter-census period, 2001-2011, both small and large homes (2-3 rooms and 7+ rooms) have expanded considerably, indicating a growing need for these types looking towards the future

The Exeter SHMA predicts significant growth amongst Mid Devon's elderly population between 2013 and 2033 which may impact on the demand for smaller dwellings, bungalows and specialist housing. The SHMA also suggests size targets based on tenure category. The recommendation for most categories, such as Market and Affordable housing, is to build smaller homes of 1-2 bedrooms to meet the needs of those on lower incomes who are only just able to access the housing market.

Tiverton's population is currently made up of family groups and elderly people, with a noticeable dearth of younger people (aged 16-24). However, over the inter-census period, the NA has seen an increase in all age categories, particularly among this younger age bracket. This increase in the younger population may impact the demand of smaller, more affordable homes, suitable for first time buyers.

Next we turn to results from life-stage modelling. The relationship between age and dwelling size in the district shows 3 key themes: preference for smaller dwellings amongst younger households, medium dwellings amongst middle-aged households and back to smaller dwellings amongst elderly households.

Projections of household distribution at district level can also give us an accurate picture of what Tiverton's demographic will look like towards the end of the plan period. According to these estimates, the elderly population is set to nearly double between 2011 and 2033, whilst most other age groups appear to stagnate.

Combining these projections with current preferences between household age and dwelling size at district level, indicates how many properties of each size will be needed by the end of Tiverton's Plan period. This results in the following dwelling size split: 1 bedroom (8.8%), 2 bedroom (27.1%), 3 bedroom (39.5%), 4 bedroom (18%) and 5+ bedroom (6.7%).

Comparing this to current levels of housing stock in Tiverton, shows a need for more dwellings of all sizes, but particularly 3 and 4 bedroom homes.

However it is worth recognising that this recommendation is limited in several respects. Overall, it reflects the present imbalance in Tiverton's housing stock as much as demographic projections. Furthermore, the high proportion of large homes recommended seems to conflict with earlier conclusions from the Exeter SHMA which advises building more smaller units to cope with the rise in elderly people. In that respect, it is advisable for this housing size split to be applied with some level of flexibility.

Furthermore, it should also be noted that this recommended split is the result of a modelling exercise based on census data and is not able to include forms of evidence at local level. These percentages should therefore be applied with some level of flexibility.

The type of home (detached, semi-detached, terraced or flat) is more a matter of taste than need and is therefore of secondary importance in the context of a Housing Needs Assessment. Notwithstanding this, the housing types that are most likely to meet local needs, based on the current stock transaction data from the land registry, are detached homes. Additionally, bungalows appeal to the elderly population and this particular type should be promoted so as to meet the demand of a growing elderly population.

Future potential misalignments of supply and demand for housing, Tiverton

Number of bedrooms	2011	2033	Change to housing mix	Recommended split
1 bedroom	973	949	-24	0.0%
2 bedrooms	2,776	2,925	149	8.9%
3 bedrooms	3,784	4,267	483	28.8%
4 bedrooms	1,207	1,943	736	43.9%
5 or more bedrooms	417	724	307	18.3%

Source: AECOM Calculations

1.5 Findings of RQ3: Housing for Newly-forming households/first-time buyers

On the basis of ONS Census 2011 data, about 768 individuals below 35 had not formed their own household by that year. This represents around 331 new households with the potential to form.

Based on the average of the numbers in Table 4-6, an estimated tenure split of new-build homes can be calculated, having regard to the specific tenure needs of newly forming households. It should be noted that this estimated split emphasizes the importance to such households of both entry-level market sales (including affordable routes to home ownership) and private rent.

It is recommended that neighbourhood planners seek to promote these tenures within new housing developments if the policy goal is to ensure that suitable and affordable housing for younger people can be provided within the Neighbourhood Plan area.

The 2015 Exeter SHMA raises concerns over the affordability of homes in Mid Devon for newly forming households, citing that one-third of newly forming households in the area will be unable to afford market rental tenures.

Tenure recommended in Tiverton to meet the needs of newly forming households

Tenure	Recommended proportion
Home ownership	11%
Entry-level market sales/intermediate ownership product	13%
Social rent	36%
Private rent	42%

Source: AECOM calculations

1.6 Findings of RQ4: Specialist Housing for older and disabled people

In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose needs are relatively limited in Table 7-6 (1,111 HRP) with 'sheltered housing' in Table 7-8 (273 HRP), even though both types of housing address the needs of those with relatively lesser disability. This is because there is a range of housing suitable for this group of the population, whereas the HLIN identifies only sheltered housing specifically.

A more accurate result, therefore, can be achieved by comparing the 716 dwellings identified in the tenure-led approach for those who require housing with care with the 378 specialist dwellings that emerge from the HLIN calculations. By contrast, the 716 figure in the tenure-led projections is based on those whose day-to-day needs are limited only a little, and whose housing needs therefore have the potential to be provided through adaptations to a conventional home.

For this reason, our recommendation would be to treat these targets as a range, with at least 378 specialist dwellings being required to service the needs of elderly people over the Plan period, and the projection of 716 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.

The 2014 Exeter Housing Market Area SHMA expects Mid Devon's population over 65 to grow by 54%, and raises concerns about the amount of appropriate housing available to suit elderly people's needs. This includes growing concerns over support services, sheltered homes, and other age-related requirements.

As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to ensure both the upper and the lower estimates are net rather than gross figures by deducting the current supply of specialist housing for older people in Tiverton and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.

Recall that there are 316 existing units of specialist housing for older people in Tiverton, for a 2011 population of 2,043 people aged 75. This suggests the actual rate of provision in Tiverton is approximately 155 dwellings per 1,000 population aged 75+. Referring to the minimum target produced by the Housing LIN-based calculation, this means there are an additional (i.e. net) 62 specialist units (378 – 316) that need to be provided over the Plan period.

Based on the tenure categories across current supply, the net additional supply required can be deducted by tenure category from the Housing LIN-recommended targets. The table below provides the final recommendation.

Final recommendation for additional specialist housing provision to 2032

	Affordable	Market	Total
Extra care housing	45	60	105
Sheltered housing or adaptations	91 - 316 = 0	182	182
Total	45	242	287

Source: Housing LIN, <https://housingcare.org>, AECOM Calculations

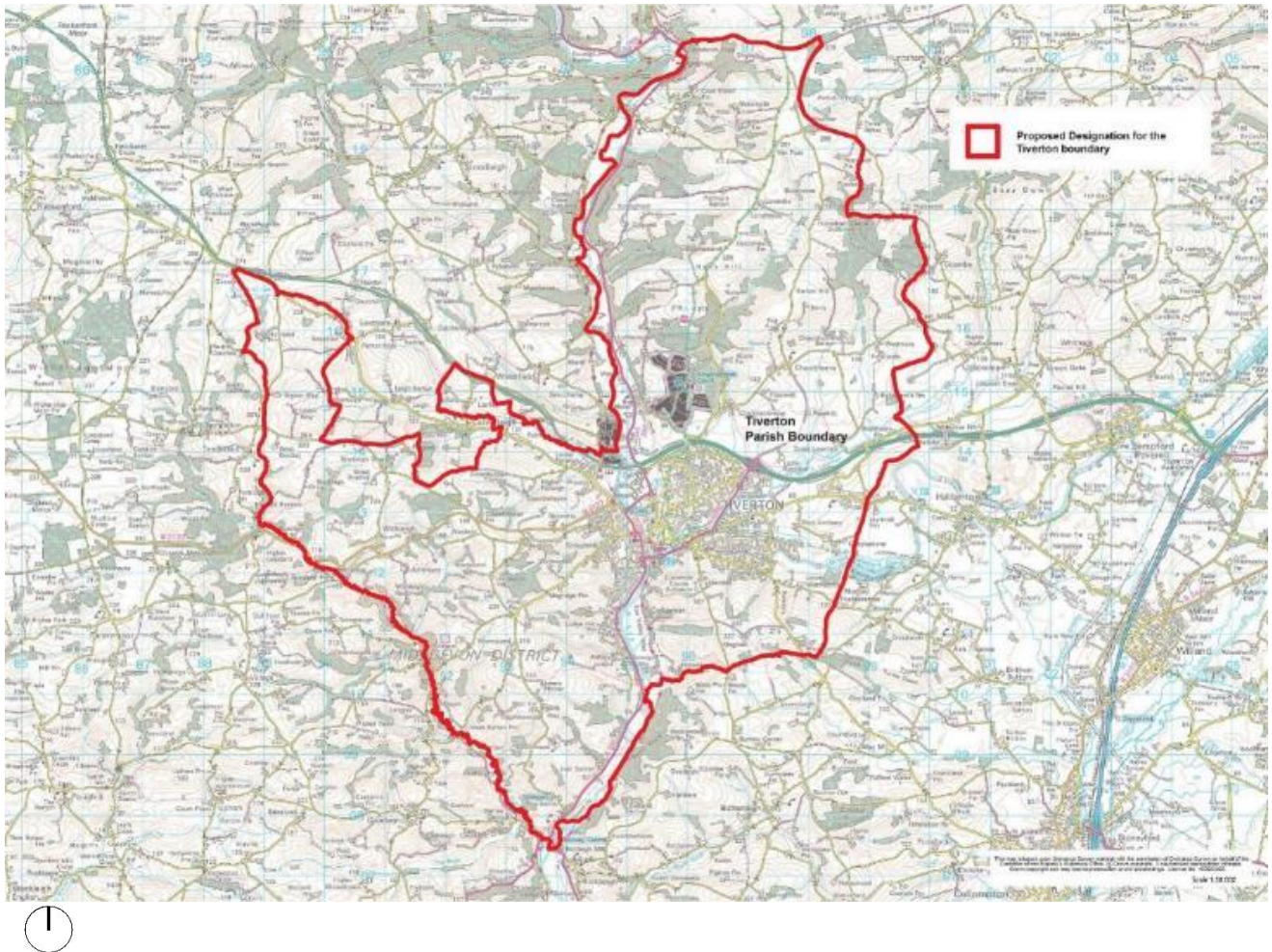
In addition, given that specialist housing for the elderly costs more to build, it is considered that to assume 25% of all specialist housing for the elderly should comprise AH tenures is reasonable and realistic, midway between the tenure-led and Housing LIN projections. This midpoint target should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate.

2. Context

2.1 Local context

1. Tiverton is a Neighbourhood Plan area located in the district of Mid Devon, South West England. The Neighbourhood Area (NA) boundary comprises the town of Tiverton as well as the settlements of Bolham, Chevithorne and Chettiscombe and was designated in November 2018. The town itself is one of the largest in Mid Devon, considered to be the commercial and administrative centre of the District.
2. The proposed Neighbourhood Plan period starts in 2013 and extends to 2033, therefore comprising a planning period of 20 years.
3. The Neighbourhood Area extends outwards from the town and into the surrounding hinterland and settlements. Two main roads, the A361 and A396, cut the area from North to South and East to West connecting Tiverton to larger towns such as Barnstaple, Taunton and Cities including Exeter. The NA also has good rail links and is a popular base for commuters. The nearest train station is Tiverton Parkway, 7 miles East of the NA, operated by Great Western Railway and CrossCountry.
4. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units called Output Areas (OAs). The Plan area equates to the following OAs, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses:
 - E02004165
 - E02004167
 - E02004168
5. The statistics show that in the 2011 Census the Neighbourhood Plan area had a total of 21,335 residents.
6. A map of the Plan area appears below in Figure 2.1.

Figure 2-1: Map of the Tiverton Neighbourhood Plan area¹



Source: Tiverton Town Council Neighbourhood Plan

2.2 Planning policy context

7. In line with the Basic Conditions² of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies.³ Consequently, there is a need for the relevant elements of the Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
8. In the case of Tiverton, the relevant local planning context is as follows:
 - Mid Devon Core Strategy (adopted July 2007)⁴
 - Mid Devon Allocations and Infrastructure Development Plan Document (adopted July 2011) (AIDPD)⁵
 - Mid Devon Local Plan Part 3: Development Management Policies (adopted October 2013)⁶
 - Mid Devon emerging Local Plan Review 2013-2033 Submission Version, January 2017⁷, Main modifications following the inspector's examination are due to be agreed in November 2019.

¹ Available at <https://www.middevon.gov.uk/media/346110/proposed-tnp-area.pdf>

² Available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

³ However, this does not affect the potential for the evidence base underpinning the emerging local plan to inform or form part of the evidence base for the neighbourhood plan.

⁴ Available at <https://www.middevon.gov.uk/residents/planning-policy/adopted-local-plan/part-1-core-strategy/>

⁵ Available at <https://www.middevon.gov.uk/residents/planning-policy/adopted-local-plan/part-2-aidpd/>

⁶ Available at https://www.middevon.gov.uk/media/103619/local_plan_part_3_adopted_october_2013.pdf

⁷ Available at <https://www.middevon.gov.uk/media/343289/web-version.pdf>

2.2.1 Policies in the adopted local plan⁸

Table 2-2: Summary of Mid Devon adopted policies having relevance to Tiverton Neighbourhood Plan Housing Needs Assessment

Policy	Source	Provisions
COR3 Meeting Housing Needs	Mid Devon Core Strategy, 2007	The diverse housing needs of the community will be met through the provision of approximately 6,800 dwellings between 1st April 2006 and 31st March 2026, including a target of 30% (2000) Affordable Housing and an appropriate mix of dwelling sizes and types. In line with strategic requirements for a long term reduction in the annual rate of new housing development, these will be phased as follows: a) 390 dwellings, including 100 affordable dwellings, per year between 2006-2016; b) 290 dwellings, including 100 affordable dwellings, per year between 2016-2026.
COR12 Development Focus	Mid Devon Core Strategy, 2007	Development will be concentrated at Tiverton, Cullompton and Crediton, with a limited role for Bampton, to a scale and mix appropriate to their individual employment opportunities, services, transport choices, infrastructure, strategic role and environmental capacity. Other settlements will have only very limited development that is required to meet local needs and promote rural regeneration. Development rates for Tiverton are as follows: an average annual dwelling rate of 145 dwellings (43 affordable) per year from 2006-2036.
COR13 Tiverton	Mid Devon Core Strategy, 2007	Tiverton will continue to develop in a balanced way as a medium sized market town serving a rural hinterland in the eastern part of Mid Devon. The strategy will maintain its status as the largest urban area in Mid Devon and increase the self-sufficiency of the town and its area by improving access to housing, employment and services for its population and that of the surrounding rural areas. Proposals will provide for the following average annual development rates: a) 102 market dwellings; b) 43 affordable dwellings.
AL/DE/2 Overall Affordable Housing Provision	Mid Devon AIDPD, 2011	2,000 or more Affordable Housing units should be provided between 2006-2026, of which about 60% should be social rented and 40% intermediate.
AL/DE/3 Affordable Housing Site Target	Mid Devon AIDPD, 2011	This policy sets out detail around Affordable Housing provision including that: open market housing sites of more than 4 dwellings within the settlements of Tiverton, Cullompton, Crediton and Bampton, and of more than 2 dwellings elsewhere should provide Affordable Housing. A target of 35% Affordable Housing will be applied to the number of dwellings by which sites exceed the relevant threshold.
AL/TIV/1 Eastern Urban Extension	Mid Devon AIDPD, 2011	153 hectare mixed-use development allocation to include: <ul style="list-style-type: none"> • from 1550 to 2000 dwellings; • a proportion of affordable dwellings subject to further assessment of viability to include at least five pitches for gypsies and travellers.
AL/TIV/8 Farleigh Meadows	Mid Devon AIDPD, 2011	112 hectare residential allocation at Farleigh Meadows to provide 300 dwellings on land in Flood Zone 1, with 35% Affordable Housing.
AL/TIV/9 Blundells School	Mid Devon AIDPD, 2011	14 hectare mixed-use allocation north of Blundells School for 200 dwellings with 35% Affordable Housing.
AL/TIV/10 Howden Court	Mid Devon AIDPD, 2011	6.4 hectare residential allocation at Howden Court for 65 dwellings with 35% Affordable Housing.
AL/TIV/11 Belmont Hospital, Belmont Road	Mid Devon AIDPD, 2011	1.4 hectare residential allocation at Belmont Hospital, Belmont Road for 76 dwellings with 35% Affordable Housing.
AL/TIV/12 St Andrew Street	Mid Devon AIDPD, 2011	0.5 hectare residential allocation at St Andrew Street for 55 dwellings, incorporating the conversion of buildings adjoining St Andrew Street., including 35% Affordable Housing.
AL/TIV/13 William Street	Mid Devon AIDPD, 2011	0.9 hectare mixed use development allocation at William Street to include 45 dwellings, including 35% Affordable Housing.
AL/TIV/14 Palmerston Park	Mid Devon AIDPD, 2011	0.9 hectare residential allocation at Palmerston Park to include 15 affordable dwellings.

⁸ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

Policy	Source	Provisions
AL/TIV/15 Blundells Garage, Station Road	Mid Devon AIDPD, 2011	0.24 hectare residential allocation at Blundells Garage, Station Road for 13 dwellings including 35% Affordable Housing.
AL/TIV/16 Roundhill	Mid Devon AIDPD, 2011	0.4 hectare residential allocation for 13 Affordable Housing units.
AL/TIV/17 Hay Park, Canal Hill	Mid Devon AIDPD, 2011	0.3 hectare residential allocation for 13 dwellings, including 35% Affordable Housing.
AL/TIV/18 The Avenue	Mid Devon AIDPD, 2011	0.4 hectare residential allocation for 15 dwellings, including 35% Affordable Housing.
AL/TIV/21 Tidcombe Hall	Mid Devon AIDPD, 2011	A site of 5.0 hectares at Tidcombe Hall is identified as a contingency site for residential development for 200 dwellings with 35% Affordable Housing. AL/DE/1 sets out that priority will be given to allocations or outstanding planning permissions. However, if this is insufficient to bring forward housing quickly, then the allocated contingency sites will be permitted.

Source: Mid Devon Core Strategy; Mid Devon AIDPD; Mid Devon Local Plan Part 3. Mid Devon District Council.

2.2.2 Policies in the emerging local plan⁹

Table 2-3: Summary of Mid Devon adopted policies having relevance to Tiverton Neighbourhood Plan Housing Needs Assessment

Policy	Source	Provisions
Policy S2 Amount and Distribution of Development	Mid Devon Local Plan Review, 2017	The diverse development needs of the community will be met through the provision of approximately 7,860 dwellings between 1st April 2013 and 31st March 2033. Development will be concentrated at Tiverton, Cullompton and Crediton, to a scale and mix appropriate to their individual infrastructures, economies, characters and constraints. The development target for Tiverton is 2358 dwellings over the plan period.
Policy S3 Meeting Housing Needs	Mid Devon Local Plan Review, 2017	The diverse housing needs of Mid Devon will be met through the provision of approximately 7,860 dwellings between 1st April 2013 and 31st March 2033, with an expected annual rate of new housing development of 393 dwellings per annum. Unless otherwise stated in a site allocation policy, on open market housing sites of 11 dwellings or more in Tiverton, Cullompton and Crediton a target of 28% affordable dwellings, and on sites elsewhere of 6 dwellings or more a target of 30% affordable dwellings will be applied to the total number of dwellings. Sites of between 6-10 dwellings outside Tiverton, Cullompton and Crediton will be permitted to make a financial contribution sufficient to provide the affordable dwellings in another location. To support self-build and custom dwellings meeting the needs of local communities, such affordable self-build dwellings will be permitted as Affordable Housing in locations outside settlement limits in accordance with Policy DM6. To support self-build and custom housing on sites of 20 dwellings or more developers will supply at least 5% of serviced dwelling plots for sale to self-builders for a period of 12 months per plot. A five year supply of gypsy and traveller pitches will be allocated on deliverable sites within Mid Devon to ensure that the predicted need for traveller sites will be met.
Policy S10 Tiverton	Mid Devon Local Plan Review, 2017	Tiverton will continue to develop in a balanced way as a medium sized market town serving a rural hinterland in the central part of Mid Devon and to the north. The strategy will maintain its status as the largest urban area in Mid Devon and increase the self-sufficiency of the town and its area by improving access to housing, employment and services for its population and that of the surrounding rural areas. Proposals will provide for approximately 2,358 dwellings, of which 660 will be affordable over the plan period.
Policy TIV1 Eastern Urban Extension	Mid Devon Local Plan Review, 2017	153 hectare mixed use development allocation to include 1580 to 1830 dwellings; and a proportion of affordable dwellings subject to further assessment of viability to include at least five pitches for gypsies and travellers.

⁹ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

Policy	Source	Provisions
Policy TIV6 Farleigh Meadows	Mid Devon Local Plan Review, 2017	11.2 hectare allocation for residential development to include 255 dwellings on land in Flood Zone 1, with 35% Affordable Housing,.
Policy TIV7 Town Hall/ St Andrew Street	Mid Devon Local Plan Review, 2017	0.5 hectare allocation for residential development for 59 dwellings, incorporating conversion of buildings adjoining St Andrew Street, including 28% Affordable Housing.
Policy TIV8 Moorhayes Park	Mid Devon Local Plan Review, 2017	0.4 hectare allocation for residential development for 8 dwellings.
Policy TIV9 Howden Court	Mid Devon Local Plan Review, 2017	0.53 hectare allocation for residential development for 10 dwellings.
Policy TIV10 Roundhill	Mid Devon Local Plan Review, 2017	0.4 hectare allocation for residential development for 20 affordable dwellings.
Policy TIV11 Palmerston Park	Mid Devon Local Plan Review, 2017	0.9 hectare allocation for residential development for 25 affordable dwellings.
Policy TIV13 Tidcombe Hall CONTINGENCY SITE	Mid Devon Local Plan Review, 2017	8.4 hectare site identified as a contingency site for residential development to be released in accordance with Policy S4 for 100 dwellings with 28% Affordable Housing. Policy S4 sets out that the Council will work proactively to bring forward allocations or outstanding planning consents. If this is insufficient to deliver the necessary level of housing, identified contingency sites will be permitted to boost housing supply.
Policy TIV16 Blundells School	Mid Devon Local Plan Review, 2017	14 hectare allocation for residential development to include 200 dwellings with 28% Affordable Housing; as well as approximately 8 hectares of informal green infrastructure adjoining the River Lowman.

Source: Mid Devon Local Plan review 2013-2033. Mid Devon District Council.

2.2.3 Quantity of housing to provide

9. The NPPF 2018 requires, through paragraphs 65 and 66, Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
10. Mid Devon has fulfilled that requirement by providing Tiverton with a definitive figure of 2,358 dwellings to be accommodated within the Neighbourhood Plan area by the end of the Plan period.¹⁰
11. Given that the NPPF requirement has already been fulfilled, the question of how many houses to plan for has already been answered. It is therefore outside the scope of this Housing Needs Assessment; for this reason, the issue of quantity has been excluded from the Research Questions (see Chapter 3 below).

¹⁰ As confirmed in a phone conversation with Mid Devon District Council, June 2019.

3. Approach

3.1 Research Questions

12. Research Questions, abbreviated to 'RQ'; are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct our research and provide the structure for the HNA.
13. Below we set out the RQs relevant to this study, as discussed and agreed with Tiverton.

3.1.1 Tenure and Affordability

14. 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.
15. This evidence will allow Tiverton 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.

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

3.1.2 Type and Size

16. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community.
17. The aim of this research question is to provide neighbourhood planners with robust evidence on the types and sizes needed by the local community. This will ensure future development truly reflects what residents need.

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

3.1.3 Housing for Newly-forming households/first-time buyers

18. The neighbourhood planning group is keen to ensure that there is an adequate supply of affordable and suitable dwellings for first-time buyers in the Neighbourhood Plan area, given the well-attested difficulties that younger people have been facing, compared with previous generations, in getting on the home ownership ladder. As such it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Plan area retains its younger population.

RQ 3: What provision should be made in terms of housing for newly forming households/first-time buyers over the Neighbourhood Plan period?

3.1.4 Specialist Housing for older and disabled people

19. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older and disabled people. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – such as smaller units, independent living provision, and so forth – rather than just care homes. There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for the elderly through the Plan period.

RQ 4: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

3.2 Relevant Data

3.2.1 Local authority evidence base

20. It is reasonable and appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As Tiverton Neighbourhood Area is located within Mid Devon's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA), in this case, the Exeter Housing Market Area Strategic Housing Market Assessment, published in 2015.

21. For the purpose of this HNA, data from Mid Devon's own evidence base to support their housing policies has been considered applicable and relevant unless it conflicts with more locally specific and/or more recently-produced evidence. The housing market evidence draws upon a range of data including population and demographic projections, housing market transactions, and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the Neighbourhood Plan area, and has been referenced as appropriate.

3.2.2 Other relevant data

22. In addition to the Mid Devon evidence base, we have assessed other evidence to ensure our study is robust for the purposes of developing policy at the NP level and is locally specific. This includes data from both Census 2001 and 2011, as well as from a wide range of other data sources, including:

- Land Registry data on prices paid for housing within the local market;
- Population and household projections produced by the Office of National Statistics (ONS);
- Information on current property asking prices, for housing for sale or rent, from [home.co.uk](https://www.home.co.uk);
- Valuation Office Agency (VOA) data on local housing stock by dwelling type;
- The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for calculating need for differing types of specialist dwellings for elderly people

4. RQ 1: Tenure and Affordability

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

4.1 Introduction

23. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.
24. This section will examine the tenure of dwellings in the current stock and recent supply. Then, looking at affordability, we will make an assessment on whether continuation of these trends would meet future needs. We will also investigate whether there are misalignments between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new developments to prioritise certain tenures, to bring supply and demand into better alignment.¹¹

4.2 Definitions

25. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. AH comprises those forms of housing tenure that fall within the definition of Affordable Housing set out in the current NPPF: social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms of AH designed to offer affordable routes to home ownership.¹² To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
26. The definition of Affordable Housing set out in the NPPF makes clear the Government's commitment to home ownership, but recognises the important role of social, affordable, and private rent tenures for those not currently seeking home ownership.
27. The revisions seek to broaden the definition of AH (which had previously referred only to social and intermediate housing) to include a range of low-cost housing opportunities for those aspiring to own a home, including starter homes.
28. In paragraph 64 of the NPPF, 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*". In line with PPG,¹³ the assumption should be that a 'major housing development' can be defined as a site of 10 dwellings or more, and that affordable home ownership includes starter homes, shared ownership homes, and homes available for discount market sale.

4.3 Current tenure profile

29. In order to set a baseline for our examination of tenure, it is necessary to present a picture of the Neighbourhood Plan area based on the most recent reliable data. Table 4-1 below presents Census data from 2011; this table shows the distribution of how households occupy their homes within Tiverton, compared to the rest of Mid Devon and England.
30. As with other NAs, home ownership is the most common form of tenure in the District, making up 60% of the share – similar to both the District and Country. Private rented accommodation is the next most common, accounting for 19% of the share, followed closely behind by Social Rented with 18%. Shared ownership is the least common form at just over 1%, but still manages to outweigh the figures for Mid Devon and England as a whole.

¹¹ PPG Paragraph: 021 Reference ID: 2a-021-20160401, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹² NPPF 2018.

¹³ PPG 031 Reference ID: 23b-031-20161116, available at <https://www.gov.uk/guidance/planning-obligations>

Table 4-1: Tenure (households) in Tiverton, 2011

Tenure	Tiverton	Mid Devon	England
Owned; total	59.6%	69.1%	63.3%
Shared ownership	1.3%	0.9%	0.8%
Social rented; total	18.0%	12.6%	17.7%
Private rented; total	19.3%	15.5%	16.8%

Sources: Census 2011, AECOM Calculations

31. In Table 4-2, we note the changes in the way households occupied their homes during the intercensal period. Within the NA itself, all Tenure categories have seen an increase between 2001 and 2011. The most significant increase can be seen within the Private Rented sector which has grown by 92%, greater than even District and national levels. This is perhaps due to potential home owners being priced out of buying in the NA and seeking more affordable forms of tenure. There has also been a noteworthy increase in Shared Ownership (49%), although it should be noted this came from a low base. This category has become popular amongst younger buyers in recent years due to its affordability. Whilst the figure for Tiverton is lower than the District, it still remains higher than the Country as a whole. Home ownership has also increased at a similar rate to Mid Devon (9% compared to 10%) indicating that, despite higher prices, this still remains a popular form of tenure in the NA. Finally, the Social Rented sector has seen the smallest increase (2% net increase), yet this is still an improvement on national levels which have dropped by 1%.

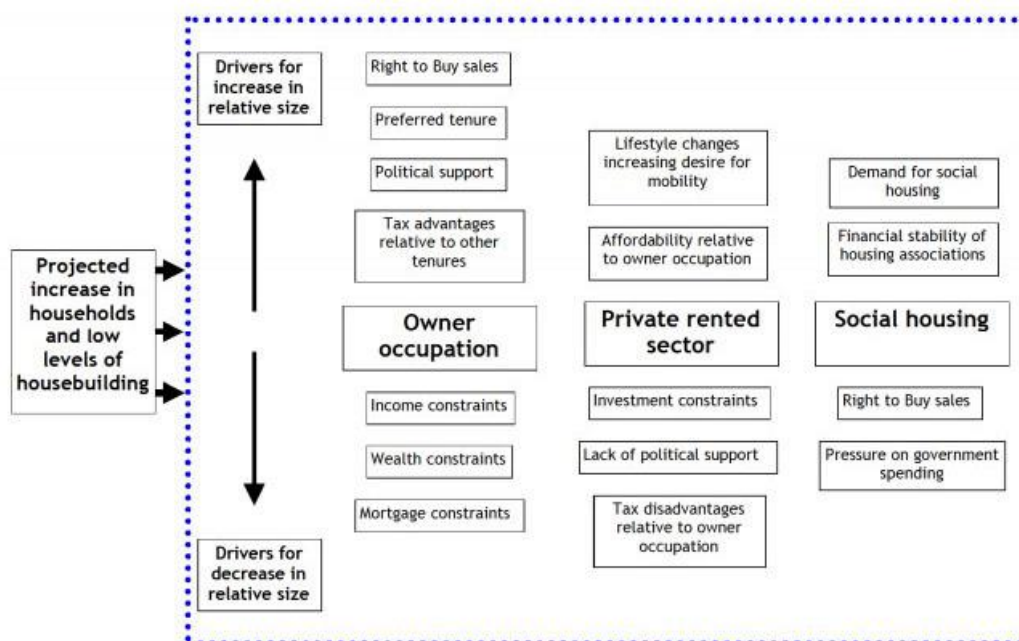
Table 4-2: Rates of tenure change in Tiverton, 2001-2011

Tenure	Tiverton	Mid Devon	England
Owned; total	9.3%	9.8%	-0.6%
Shared ownership	48.7%	79.4%	30.0%
Social rented; total	2.4%	1.2%	-0.9%
Private rented; total	92.0%	78.6%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

32. Given that national tenure trends are often mirrored at local level, it is useful to understand the political, economic and social drivers behind such change. Some of these key factors, are identified in the figure below.

Figure 4-1: Key drivers of recent change in tenure mix



Source: Tenure Trends in the UK Housing System, BSHF, 2010

33. According to Table 4-2, the most significant change in tenure lies within the Private Rented sector, which has expanded by 82.4% over the inter census period. This is largely down to a mixture of economic and social factors. While rents

have increased in line with earnings, house prices and mortgages have increased much faster, increasing the affordability of Private Rent relative to Owner Occupation making it the only affordable alternative. An increase in buy-to-let sales may have also contributed to this increase. Private Rent is also often characterised as the most flexible form of tenure and it may be that this appeals to younger generations seeking more flexible lifestyles.

34. A local housing survey could be carried out to gain a more in-depth understanding of this tenure increase.
35. Shared Ownership too has seen a noticeable increase of 30%. Although this form of tenure was originally introduced in the 1970s, it has only recently become popular thanks to the government-backed shared ownership scheme, re-launched in 2009 via HomeBuy Direct. It is also worth caveating this percentage increase with the fact that the Shared Ownership category started from a low base point.

4.4 SHMA findings

36. According to the Exeter SHMA significant increases in house price over the past decade have excluded many first time buyers from the owner-occupied market, especially in high priced market areas such as Devon. To help rectify this, small, low cost market housing units are recommended which will meet the needs of households with income levels just adequate to access the housing market.
37. In determining the balance of tenure mix the number of households who would be able to enter the market through intermediate housing but cannot afford private rent needs to be taken into account. The tenure balance of new affordable delivery in the HMA over the last three years has averaged 75% social rent and 25% intermediate housing. As such, a tenure mix balance of 75:25 between social rent and intermediate housing is recommended for Mid Devon.

4.5 Affordability

38. Having now reviewed both the tenure of the existing housing stock in Tiverton and the findings of the SHMA, we now turn to assessing future provision over the Neighbourhood Plan period.
39. In order to understand whether the tenure profile of the current stock reflects the needs of the population currently and over the Plan period, an important starting point is to consider whether this profile provides different market segments access to dwellings of a suitable type and size, given their household composition.

4.5.1 House prices

40. In line with PPG¹⁴, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio¹⁵ (LQAR) and the Median Affordability Ratio¹⁶ (MAR). While this is a relatively crude measure of affordability, as it does not take account of the cost of servicing mortgage debt, it is a useful basic measure for benchmarking affordability changes over time. Further, PPG makes clear that lower-quartile house prices may be used as a benchmark for entry-level home prices.¹⁷
41. An entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to be in conformity with Government guidance on overcrowding, such a home would require three habitable rooms (i.e. comprise a flat or house with one or two bedrooms). Entry-level properties can therefore also be understood as one or two-bedroom flats/houses.
42. Figure 4- below looks at selected measures of house prices in Tiverton. Generally speaking, house prices in the NA have increased steadily between 2009 and 2018 with the mean price rising by approximately 28%.

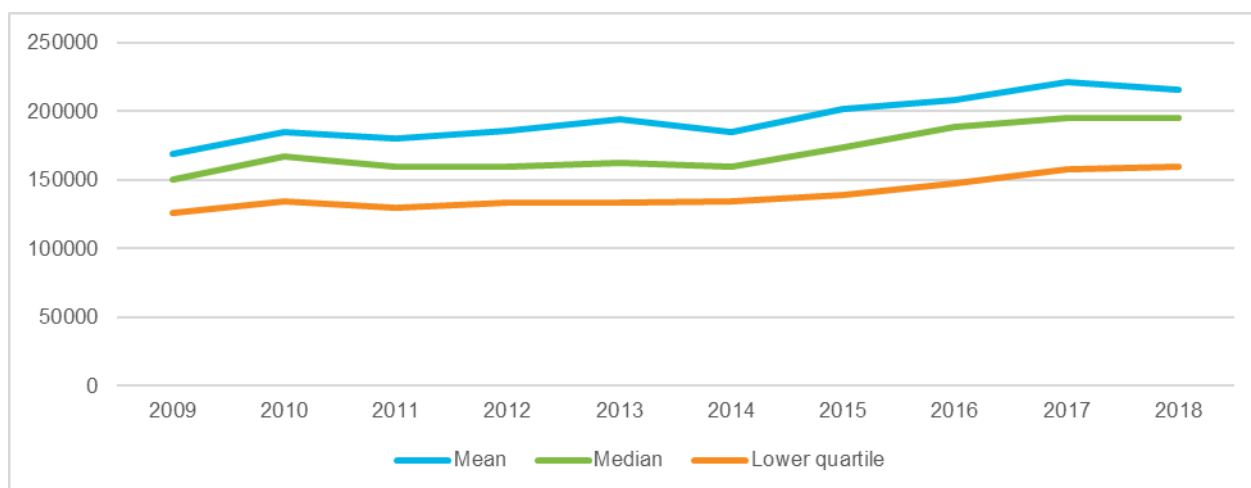
¹⁴ See Paragraph: 021 Reference ID: 2a-021-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹⁵ See Glossary in Appendix.

¹⁶ See Glossary in Appendix.

¹⁷ See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Figure 4-2: House prices in Tiverton between 2009 and 2018



Source: Land Registry PPD

43. It is also useful to compare this picture with house price growth at national level. According to a report into the housing market since the global financial crisis¹⁸, the average UK house price has increased by 18% over a similar period (2007-2017). Similarly Mid Devon has seen an increase of 10-20%. This indicates that house prices in Tiverton have increased at a rate above that of the district and national average.
44. Table 4-3 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It indicates that on average, house prices in the NA have increased by around a third. Semi-detached properties have seen the largest growth between 2009 and 2018, increasing by 33%, this is followed close behind by terraced (26%) and detached (23%) homes. These types of dwelling are currently the most sought after form of accommodation in the NA, hence the increase in price.
45. Flats have seen the smallest growth over the period (3%), but this can be explained in part by the volatility in the price of flats over time: they appreciated by 18% between 2009 and 2011 alone, and have fluctuated more than other types. This is unsurprising given that there are relatively few flats in Tiverton to be sold (see the Type and Size chapter), and so the average annual price is highly determined by the particular units sold in any particular year, which may vary in size and quality.

Table 4-3: House prices by type in Tiverton, 2008-2017

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth
Detached	£254,453	£282,581	£260,702	£261,742	£302,818	£287,290	£304,947	£300,250	£329,931	£311,917	22.6%
Semi-detached	£162,524	£177,820	£170,530	£163,859	£176,700	£177,229	£191,348	£193,232	£211,232	£215,623	32.7%
Terraced	£142,587	£153,784	£153,411	£150,591	£148,414	£156,641	£161,676	£160,857	£171,507	£178,952	25.5%
Flats	£104,206	£110,773	£123,064	£111,381	£110,215	£110,824	£118,357	£115,069	£113,854	£107,239	2.9%
All Types	£168,924	£185,038	£180,000	£185,574	£194,537	£184,828	£201,454	£208,540	£220,975	£216,271	28.0%

Source: Land Registry PPD

4.5.2 Income

46. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. As such, we have used average household income estimates published by ONS¹⁹ at the level of the Middle-layer Super Output Area (MSOA).²⁰ In the case of Tiverton the MSOAs

¹⁸ Available at https://www.savills.co.uk/research_articles/229130/219126-0

¹⁹ Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016>

²⁰ An MSAO is a statistical area defined for Census purposes. For further information on MSOAs, see <https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography>

most suitable for use as a proxy for the Neighbourhood Plan area boundary are Mid Devon 002, Mid Devon 004 and Mid Devon 005.

47. The average net annual household income before housing costs (equalised) across Mid Devon 002, 004 and 005 (£30,400, £26,300 and £26,000 respectively) in 2015/16 was £27,567.
48. The average total annual income across Mid Devon 002, 004 and 005 (£41,000, £32,300 and £31,000) was £34,767.²¹
49. These figures are locally specific but limited to the average total household income and the median net annual household income. They therefore do not provide the Lower Quartile (LQ) average income that is helpful for understanding affordability challenges among those with lower than average incomes.
50. We therefore turn to a second data source which provides information on gross LQ incomes, but only at the District level. It is derived from ONS annual estimates of paid hours worked and earnings for UK employees to local and unitary authority level. Although 2018 provisional data has been published, the revised 2017 data is considered more robust and is therefore used here. The lower quartile household income is £18,709.

4.6 Affordability Thresholds

51. In order to gain a clearer understanding of local affordability, it is also useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds'. Purchase Thresholds (PT) denote the standard household income needed to access mortgage products, and Income Thresholds (IT) denote the maximum share of a family's income that should be spent on accommodation costs. The PT is particularly helpful for understanding the affordability of market homes.
52. We have determined thresholds for: market purchase; Private Rented Sector (PRS); shared ownership at 25%, 50%, and 75%; affordable rent set at 80%, and estimated social rent levels across Tiverton. These calculations are detailed in Appendix A. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations. Table 4-4 below shows the annual cost of different tenures and the income required (excluding deposits saved) to support these costs within Tiverton.

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

Tenure	Cost of purchase	Annual rent	Income required
Entry-level market sale	£144,000	N/A	£41,143
Shared ownership (75%)	£108,000	£4,000	£34,857
Starter homes	£115,200	N/A	£32,914
Entry-level market rent	N/A	£6,608	£26,432
Shared ownership (50%)	£72,000	£8,000	£28,571
Shared ownership (25%)	£36,000	£12,000	£22,286
Affordable rent	N/A	£5,286	£21,146
Social rent - 3 bed dwelling	N/A	£5,137	£20,548
Social rent - 2 bed dwelling	N/A	£4,556	£18,225

Source: AECOM Calculations

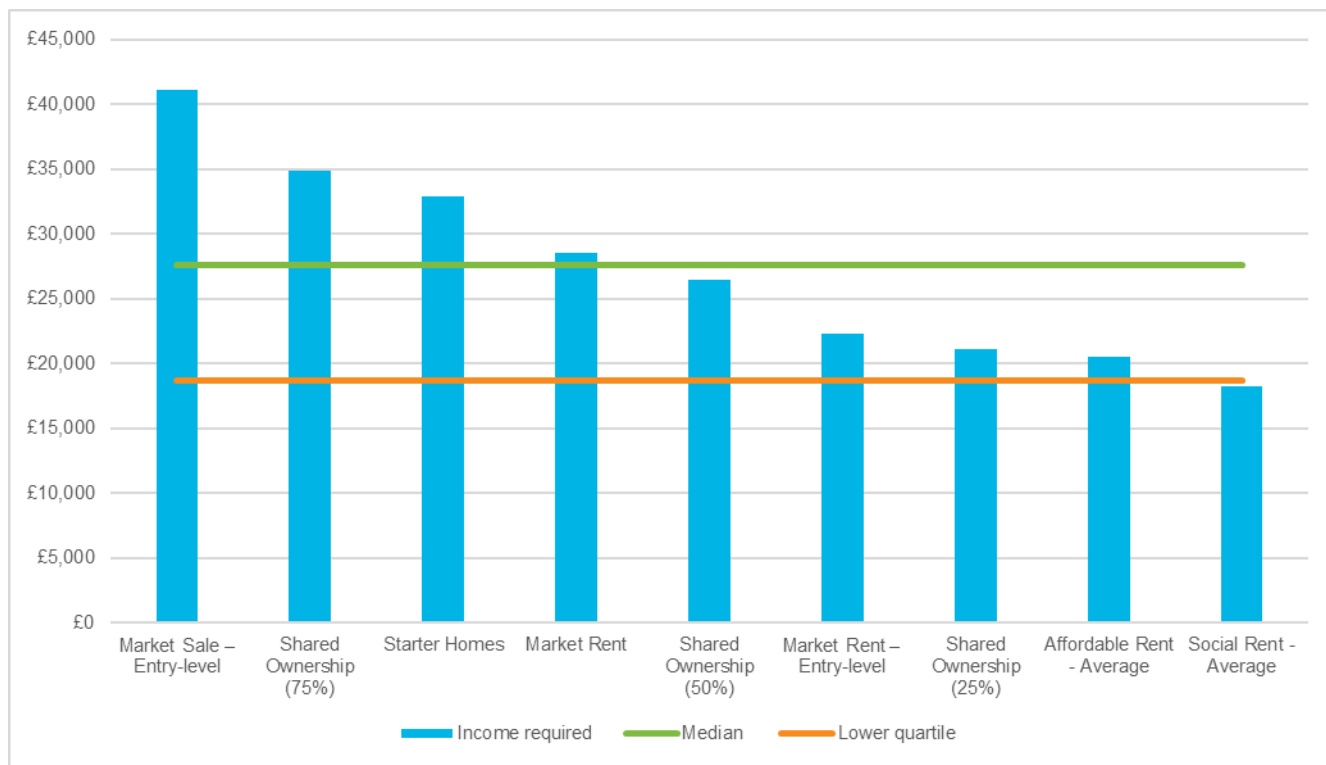
53. The income required to afford the different tenures is then benchmarked against two measurements of household income: firstly the median annual household income and secondly the lower quartile household income for the Neighbourhood Plan area, both set out above. These are £27,567 and £18,709 respectively. This is presented in Figure 4-2 below.
54. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an entry-level market home for sale (i.e. the PT) is insufficient for those on median or lower quartile household incomes.
55. Government policy aimed at tackling the housing crisis continues to focus on helping those on lower quartile incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership. Examples of this form of tenure include Starter Homes and Shared Ownership. Other

²¹ Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

Government backed schemes such as Help to Buy: Equity Loan and Help to Buy: ISA also offer assistance to both new and existing home owners. In the case of Tiverton, surprisingly half of these tenure forms (such as Starter Homes and Shared Ownership at 75% and 50%) are out of reach for most people on both lower quartile and median incomes. Based on the NA's affordability thresholds, as seen in Figure 4-2, only Shared Ownership at 25% can be considered a viable option for those on a lower quartile income seeking home ownership.

- 56. Continuing to the rental market, it is evident that market rents are unaffordable for most people, edging just over the median income.
- 57. Affordable Renting however can be considered just about viable for those on a lower quartile income.
- 58. Social Rent is the most affordable tenure option in Tiverton, falling below the lower quartile and well below the median income.

Figure 4-2: Affordability thresholds in Tiverton (income required, £)



Source: AECOM Calculations

4.7 Tenure Split

59. In terms of the tenure split, it is important to reference Mid Devon's affordable housing policy, as set out in the Local Plan, which recommends a balance of 60% social rented and 40% intermediate tenures. However it is worth noting that this policy dates back to the 2011 Mid Devon AIDPD and there is yet no up to date recommendation in the emerging Local Plan.
60. Of the 2,358 dwellings that Mid Devon District Council indicates should be provided in Tiverton over the Neighbourhood Plan period, adopted local policy indicates that 30% (707 dwellings) should be affordable. Table 5-6 below suggests that of these 707 dwellings, around 60% should be social rented tenures, in line with local policy, and 40% should be intermediate tenures (split between Starter Homes and Shared Ownership at 25% and 50%).

Table 4-6: Recommended tenure split (Affordable Housing)

Routes to home ownership, of which	40%
Starter Homes	10%
Shared Ownership (at 25%)	20%
Shared Ownership (at 50%)	10%
Affordable Housing for rent, of which	60%
Social Rent	60%

Source: AECOM calculations

61. This recommendation for Starter Homes is in line with accordance with the Government's 10% policy expectation.
62. Having said this, such policies should in practice be flexibly applied given the need for viability. This question is particularly pertinent in rural locations where small in-fill schemes predominate. For these schemes, providers sometimes reject Social Rented stock due to relatively high maintenance costs, seeking to vary the tenure to Affordable Rent or shared ownership. As we have seen, both of these tenures provide viable options for Tiverton households, and should be well-represented in the dwelling mix.
63. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development²² should be available for affordable home ownership. As Local Policy and our affordability analysis suggest, there is the ability to provide more than this within the NA. As figure 5-2 shows, Shared Ownership at 25% and then 50% are the most affordable forms of intermediate tenure. Shared Ownership at 75% and Market Sale however should be avoided given that they are out of reach for those on a lower quartile income. It should be noted, however, that the recommendation here for Shared Ownership at 25% and 50% shares is only an indication of what would serve the community best. The precise ownership share to be offered is not something that it is in the power of neighbourhood planning policies to enforce.
64. The NPPF also specifies that exceptions to the 10% affordable home ownership requirement are permissible when such development will "significantly prejudice the ability to meet the identified affordable housing needs of specific groups"- in other words, in cases where the development of affordable home ownership dwellings would reduce the provision of other types of affordable housing such as social and affordable rented homes. Based on the findings of this chapter, there is no evidence that going beyond the 10% threshold in Tiverton would prejudice the provision of much needed affordable rented homes.
65. Given that Shared Ownership is recommended as an affordable route to home ownership at a reasonable proportion (30% or 212 dwellings), it is worth looking at the scheme in more detail. Despite being introduced back in the 1970s, Shared Ownership has only recently become popular. This is largely due to the scheme being relaunched in 2009 and then a sudden increase in development. As a form of tenure, it is generally more affordable than buying and renting privately – both in Tiverton and the Country as a whole. Shared Ownership is particularly known for being an affordable option for those seeking to get on the housing ladder such as newly forming households and families. Given that Tiverton is currently attracting these demographics, makes it a suitable form of tenure for the NA.
66. It is also popular due to the increased choice, control and security it offers in comparison to other tenures. However it should be noted that there are some caveats to Shared Ownership which bring its affordability into question. For example, buyers still have to pay service charges which are not fixed and can increase unpredictably. Buyers are also responsible for the maintenance of the property, however small their share in the property. Staircasing can also be costly. Given that the purchase of the additional share will rise as market values rise. Furthermore, the discount attained

²² The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

through renting the remaining share can in certain locations be similar to the difference in price between a new build and existing dwelling.

4.8 Conclusions- Tenure and Affordability

67. At present home ownership is the most popular form of tenure in Tiverton, followed by Social and Private Rented accommodation.
68. Over the inter-census period, the number of those renting privately has increased dramatically. This could be down to several reasons such as potential buyers being priced out of home ownership, younger generations seeking the greater flexibility associated with Private Rent and an increase in buy-to-let investors.
69. Shared Ownership has also increased significantly thanks to a government-backed scheme relaunched in the last 10 years.
70. House prices in Tiverton have grown at a steady rate between 2009 and 2018, increasing by an average of 28%, higher than both district and national rates. Semi-detached homes within the NA have seen the most significant increase in price, followed by terraced and detached homes.
71. The median and lower quartile annual household income within the Neighbourhood Plan area are £27,567 and £18,709 respectively. Comparing these affordability thresholds with costs of each tenure, it is clear that the most affordable forms of tenure in Tiverton are Social Rent, Affordable Rent and Shared Ownership at 25% and 50%.
72. The Exeter Housing Market SHMA advises building more low cost market housing within the District to assist first time buyers. It also weights the tenure mix balance in favour of Social rent over Intermediate housing (75:25), to account for those unable to afford Private Rent. The recommended tenure mix takes this ratio into account with a similar split (60:40) between Social Rent and Intermediate Housing. It is important to note however the SHMA tenure split is based on an average of the data taken from all Exeter Housing Market Areas and therefore isn't directly comparable with the NA tenure split.
73. Mid Devon District Council provides a quantity figure of 2,358 dwellings to be provided in Tiverton over the Neighbourhood Plan period. Local Policy requires that 30% of these or 707 homes should be affordable. In terms of a tenure split, we recommend 40% offer routes to home ownership (10% Starter Homes and 30% Shared Ownership at 25% and 50%) and 60% offer Affordable Housing for rent in the form of Social Rent.

5. RQ 2: Type and Size

RQ2: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

5.1 Introduction

74. The Tiverton Neighbourhood Plan will need to include policies informed by robust data on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people at all stages of life the options they require, while keeping the market operating efficiently.
75. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Tiverton. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type will be determined by the way different household types currently occupy their dwellings in the LPA, and then applying to that baseline assessment demographic projections of how the Neighbourhood Plan area population is likely to change by the end of the Plan period.

5.2 Existing types and sizes

5.2.1 Background and definitions

76. Before beginning our consideration of dwelling type and size, it is important to understand how different types of households occupy their homes. Crucially, and unsurprisingly, household 'consumption' of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth, income, and age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability.
77. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and thus would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture than demographics, household type and size would suggest for future years.
78. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' should thus be translated as follows²³:
 - 1 room = bedsit
 - 2 rooms = flat/house with one bedroom and a reception room/kitchen
 - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
 - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
 - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
 - 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
 - 7+ rooms = house with 4 or more bedrooms
79. It is also useful to clarify the Census terminology around dwellings and household spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained.²⁴ As such, all dwellings are classified into either "shared" or

²³ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

²⁴ At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

“unshared” dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.

80. The key measure of whether a dwelling is shared or unshared relates to the Census’ definition of a household. A household is defined as “One person living alone or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area.”²⁵ On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

5.2.2 Dwelling type

81. The 2011 Census shows that there were 9,459 households in Tiverton, living in 2,442 detached houses, 2,755 semi-detached, 2,803 terraced houses, and 1,429 flats. Tiverton is predominately characterized by whole houses or bungalows which make up 85% of the total stock. Semi-detached and terraced homes form a greater proportion of this (29% each) than detached homes (26%). Comparatively, Mid Devon has a larger proportion of detached homes (39% versus 26% in Tiverton). Meanwhile, less popular forms of tenure including flats, maisonettes and apartments, make up 15% of dwellings in Tiverton, higher than the District (10%), but lower than the country (21%).

Table 5-1: Accommodation type (households), Tiverton 2011

Dwelling type		Tiverton	Mid Devon	England
Whole house or bungalow	Detached	25.8%	38.5%	22.4%
	Semi-detached	29.1%	28.6%	31.2%
	Terraced	29.6%	23.0%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	10.2%	6.3%	16.4%
	Parts of a converted or shared house	3.4%	2.1%	3.8%
	In commercial building	1.6%	1.1%	1.0%

Source: ONS 2011, AECOM Calculations

5.2.3 Dwelling size

82. Table 5-2 below sets out the distribution of the number of rooms by household space. The housing stock in Tiverton is characterised by small to medium size dwellings of 4-6 rooms (67%), followed by larger dwellings of 7+ rooms (22%), and finally small dwellings consisting of 1-3 rooms (11%). Apart from having a slightly lower proportion of larger homes with 7 or more rooms (22% compared with 33% in Mid Devon), these dwelling size patterns closely reflect those of the District.

Table 5-2: Number of rooms per household in Tiverton, 2011

Number of Rooms	2011	2011
	Tiverton	Mid Devon
1 Room	0.3%	0.3%
2 Rooms	2.8%	1.8%
3 Rooms	8.3%	6.4%
4 Rooms	21.5%	17.2%
5 Rooms	26.8%	23.1%
6 Rooms	18.3%	18.3%
7 Rooms	9.4%	12.0%
8 Rooms or more	6.1%	9.3%
9 Rooms or more	6.5%	11.7%

²⁵ Ibid.

Source: ONS 2011, AECOM Calculations

83. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. The main change from the 2001 Census findings is that larger homes, consisting of 7+ rooms, have become more prevalent (an average increase of 35%). Small homes, of 2-3 rooms have also increased significantly (an average of 29%). The only category to decrease is 1 room homes. Although a decline of 33% may seem weighty, the fact that this category started from a low base point to begin with (48 dwellings) makes this finding less significant.

Table 5-3: Rates of change in number of rooms per household in Tiverton, 2001-2011

Number of Rooms	Tiverton	Mid Devon	England
1 Room	-33.3%	7.6%	-5.2%
2 Rooms	34.4%	19.6%	24.2%
3 Rooms	22.7%	19.7%	20.4%
4 Rooms	1.3%	0.9%	3.5%
5 Rooms	13.5%	4.4%	-1.8%
6 Rooms	13.9%	11.0%	2.1%
7 Rooms	37.3%	23.9%	17.9%
8 Rooms or more	32.4%	32.1%	29.8%

Source: ONS 2001-2011, AECOM Calculations

84. Returning to the most recent Census data, it is also useful to compare the figures for number of rooms with figures for of the number of bedrooms for each household. Table 5-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that, within Tiverton, 3 bedroom homes are by far the most popular, with 41% of the local population occupying this size of dwelling. The next most favoured category is 2 bedroom homes (30%) followed by 4 bedroom homes (13%).

Table 5-4: Number of bedrooms in household spaces in Tiverton, 2011

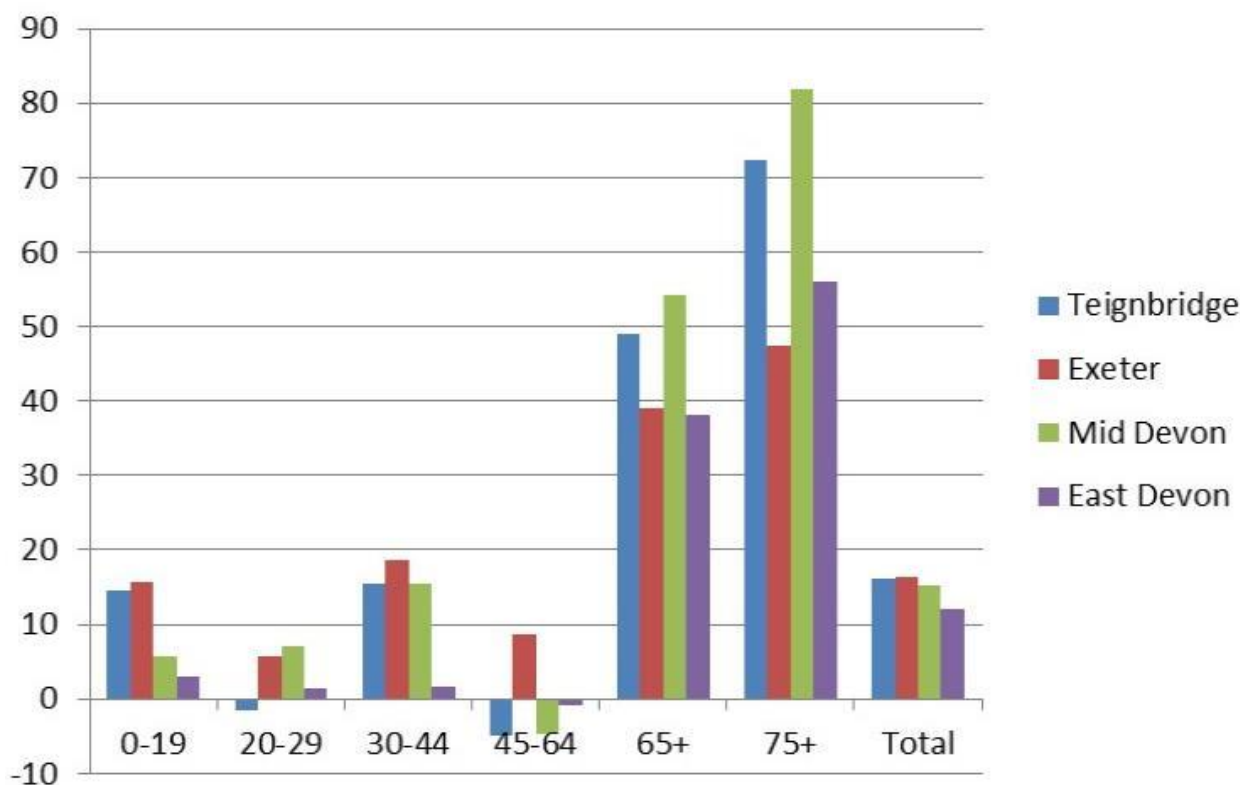
Bedrooms	Tiverton		Mid Devon		England	
All categories: no. of bedrooms	9,182	100.0%	32,758	100.0%	22,063,368	100.0%
No. bedrooms	25	0.3%	51	0.2%	54,938	0.2%
1 bedroom	973	10.6%	2,577	7.9%	2,593,893	11.8%
2 bedrooms	2,776	30.2%	8,388	25.6%	6,145,083	27.9%
3 bedrooms	3,784	41.2%	13,061	39.9%	9,088,213	41.2%
4 bedrooms	1,207	13.1%	6,308	19.3%	3,166,531	14.4%
5 or more bedrooms	417	4.5%	2,373	7.2%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

5.3 SHMA findings

85. The Exeter Housing Market Area SHMA predicts significant growth amongst the elderly population, particularly in Mid Devon. The 65+ age group is expected to increase by 54% between 2013 and 2033 in the District, which may place more demand on smaller homes and bungalows.
86. Furthermore, the increase in even older households (ages 80+) may have implications for support services, options for housing with support, extra care housing long term suitability of accommodation, equity release schemes, adaptations, and other age related care requirements.

Figure 6 1: Population change for the Exeter Housing Market Area, 2013-2033



Source: Exeter SHMA, DDC Trend Based Projections

87. The Exeter SHMA splits its dwelling size recommendations by tenure category. This means the data is not directly comparable with AECOM's own calculations. However it is still useful to use this data as a reference.
88. For Market Housing, the SHMA suggests a property size target of 60% 1 and 2 bedroom homes and 40% 3 and 4 bedroom homes to balance out the current housing stock in Mid Devon. For Low Cost Market Housing, it recommends building more small units (1 to 2 bedroom homes) to meet the needs of households with income levels just adequate to access the housing market.
89. Looking to Affordable Housing, it is advised that Intermediate Housing (e.g. Shared Ownership, Shared Equity, Discounted Market Housing and Help to Buy initiatives) be focused on smaller homes to meet the need of concealed households and first time buyers. This should be split between 50% 1 bedroom homes, 40% 2 bedroom homes and 10% 3 bedroom homes.
90. In terms of Social and Rented Housing, smaller units are also advised, given that 1 and 2 bedroom units make up around 85% of the waiting list. Consequently the SHMA suggests that 80% of homes in the affordable sector be 1 and 2 bedroom units. The other 20% should consist of larger family sized units of 3 to 4 bedrooms.

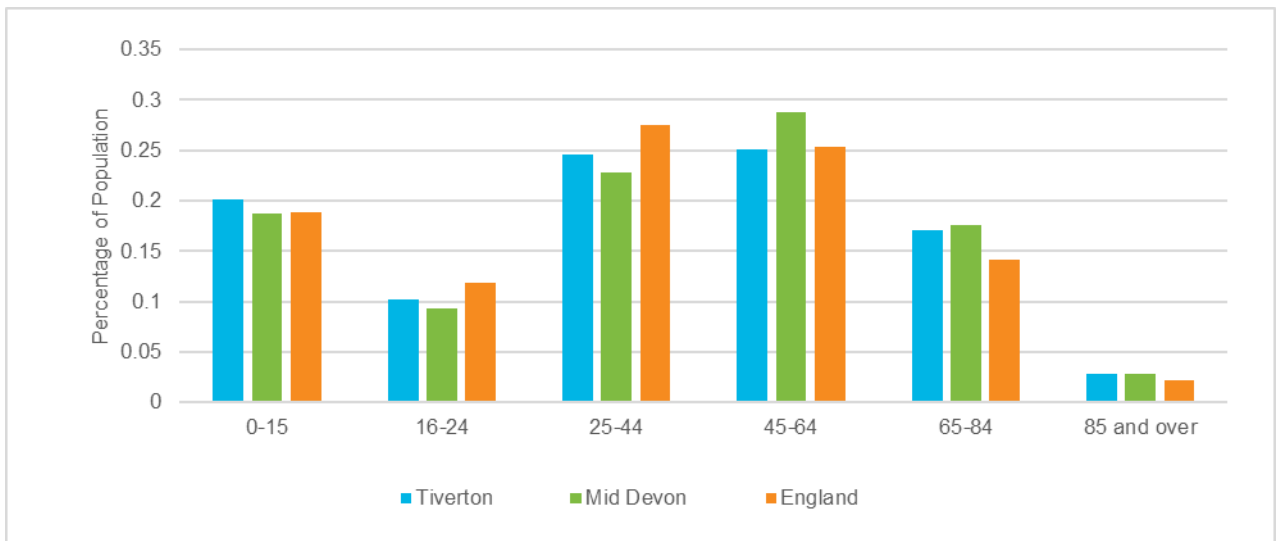
5.4 Household composition and age structure

91. We have now established the current stock profile of Tiverton and identified recent changes in its composition. The evidence assembled below examines the composition and age structure of households both in the 2011 Census and in future years. Through a consideration of the types of households projected to form over the Neighbourhood Plan period, and the mix of age groups suggested by demographic projections, it becomes possible to consider the type and size of housing needed in the Neighbourhood Plan area by the end of the planning period.

5.4.1 Age structure

92. Tiverton is largely populated by family groups and elderly people as the 2011 Census reveals. The 25-44 and 45-64 age groups make up half of the NA's inhabitants, with children making up just over 20%. The older age groups, 65+, are more prominent here than at the national level, forming around 17% of Tiverton's population.

Figure 5-2: Age structure in Tiverton, 2011



Source: ONS 2011, AECOM Calculations

93. In comparison to its wider geographies, Tiverton has seen greater growth in the younger age brackets, particularly amongst children aged 0-15 and adults aged 25-44. This suggests that more families and newly forming households are moving to the area as the result of suitable dwelling mixes (2-4 bedrooms homes). The older population (ages 65+) has also expanded, by around 15% on average, which falls behind district and national levels (see Table 5-5 below).

Table 5-5: Rate of change in the age structure of Tiverton population, 2001-2011

Age group	Tiverton	Mid Devon	England
0-15	13.8%	5.2%	1.2%
16-24	19.1%	19.4%	17.2%
25-44	9.5%	-1.8%	1.4%
45-64	17.7%	18.8%	15.2%
65-84	16.2%	21.6%	9.1%
85 and over	14.3%	25.6%	23.7%

Source: ONS 2001-2011, AECOM Calculations

5.4.2 Household composition

94. Household composition is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. In assessing Census data on household composition, we see that Tiverton differs from the LPA in that there currently is a slightly higher percentage of one person households than families.

Table 5-6: Household composition (by household), Tiverton, 2011

Household composition		Tiverton	Mid Devon	England
One person household	Total	30.4%	27.5%	30.2%
	Aged 65 and over	14.5%	13.7%	12.4%
	Other	15.9%	13.8%	17.9%
One family only	Total	63.6%	66.9%	61.8%
	All aged 65 and over	10.5%	11.1%	8.1%
	With no children	19.1%	21.2%	17.6%
	With dependent children	26.0%	25.6%	26.5%
	All children Non-Dependent	8.0%	9.0%	9.6%
Other household types	Total	5.9%	5.6%	8.0%

Source: ONS 2011, AECOM Calculations

95. Again, it is relevant to consider rates of change in this indicator during the period between Censuses (see Table 5-7 below). Between 2001 and 2011, the main changes in household composition were an increase in one person households under the age of 65 (38%), and an increase in families without children (22%).

Table 5-7: Rates of change in household composition, Tiverton, 2001-2011

Household type		Percentage change, 2001-2011		
		Tiverton	Mid Devon	England
One person household	Total	14.6%	16.5%	8.4%
	Aged 65 and over	-3.3%	2.7%	-7.3%
	Other	38.1%	34.4%	22.7%
One family only	Total	14.5%	11.5%	5.4%
	All aged 65 and over	4.5%	9.3%	-2.0%
	With no children	21.6%	15.8%	7.1%
	With dependent children	15.6%	8.8%	5.0%
	All children non-dependent	9.5%	12.5%	10.6%
Other household types	Total	32.6%	18.5%	28.9%

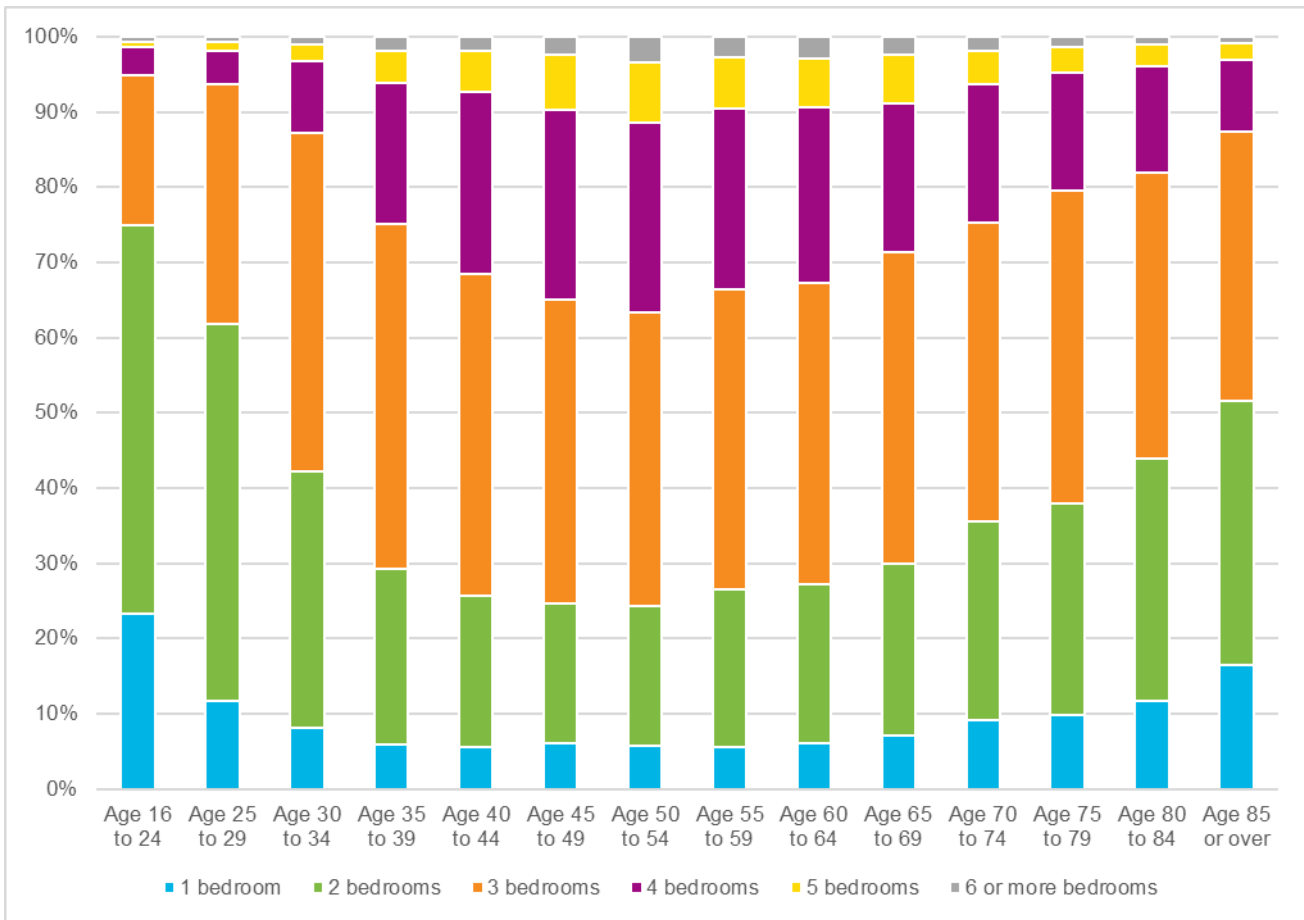
Source: ONS 2001-2011, AECOM Calculations

5.5 Dwelling mix determined by life-stage modelling

96. Recognising the fact that households of different ages have different housing needs, to estimate the housing mix needed by the end of the Plan period we adopt an approach based on the reasonable assumption that current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in single person households aged over 65 will lead to an increase in the need for the type of housing currently occupied by single person households of that age.
97. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LPA-level data needs to be used as the closest proxy.
98. Figure 5-3 below sets out the relationship in the 2011 Census at LPA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that there is a clear correlation between age and dwelling size, depicted by a somewhat inverted bell curve. Initially, younger age groups tend to occupy small homes consisting of 1-2 bedrooms. However towards middle age, as people settle down and start families, the population becomes more likely to occupy larger homes of 3-4 bedrooms. The preference for larger homes tends to peak around the 50-54 age group. After this

age, children begin to leave home and the original occupants reach retirement age, resulting in a downsizing of dwelling size to 1-2 bedrooms.

Figure 5-3: Age of household reference person by dwelling size in Mid Devon, 2011



Source: ONS 2011, AECOM Calculations

99. We then use household projections provided by MHCLG to achieve an understanding of the future distribution of households by the age of the HRP. Again, this data is only available at the LPA level and for the years 2014 and 2039. Therefore, we have estimated what the distribution of households by the age of the HRP would be in 2033, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 5-8 below.

Table 5-8: Projected distribution of households by age of HRP, Mid Devon

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	829	3,183	12,020	6,465	10,261
2014	795	3,287	11,511	6,210	11,799
2033	862	3,167	11,240	6,244	17,073
2039	883	3,130	11,154	6,255	18,738

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

100. At this point, it is then necessary to extrapolate from this LPA-level data an estimate of the corresponding change in the age structure of the population in Tiverton. To do so, the percentage of increase expected for each group across Mid Devon, derived from the data presented above was mapped to the population of Tiverton. The results of this calculation are detailed in Table 5-9 below. It is significant to note that the 65+ age groups expects to increase dramatically by 66.4% between 2011 and 2033, while most other age groups tend to contract.

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

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	361	1,163	3,229	1,594	2,835
2014	346	1,201	3,092	1,531	3,260
2033	375	1,157	3,019	1,540	4,717

Source: AECOM Calculations

101. Then, to complement the two stages above, in Table 5-10 below we set out the distribution of dwellings of different sizes according to the age of the HRP as they appeared in Census 2011. This provides the basis for a modelled estimate of the proportion of dwelling sizes that will be occupied by each age band across Mid Devon in 2033.

Table 5-10: Age of household reference person to size, grouped, Mid Devon, Census 2011

Size	Age of HRP 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	23.2%	9.7%	5.8%	5.8%	10.3%
2 bedrooms	51.8%	41.4%	20.0%	21.0%	28.1%
3 bedrooms	19.8%	39.0%	41.7%	40.0%	39.6%
4 bedrooms	3.7%	7.3%	23.7%	23.7%	16.2%
5+ bedrooms	1.5%	2.6%	8.9%	9.5%	5.8%

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

102. Finally, having established the preference shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in Mid Devon and Tiverton falling into each of these stages by the end of the Plan period in 2033, it is now possible to recommend how the housing stock should evolve in terms of size over the Neighbourhood Plan period to overcome existing or future misalignments between the supply of dwellings and demand (see Table 5-11 below).

Table 5-11: Ideal dwelling size distribution in Tiverton by the end of the Plan period, based on modelled household life-stages. Totals may not sum due to rounding

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Pop. 2033	375	1,157	3,019	1,540	4,717	-
1 bedroom	87	112	175	90	485	949
2 bedrooms	194	480	602	324	1,325	2,925
3 bedrooms	74	451	1,258	615	1,869	4,267
4 bedrooms	14	85	717	364	763	1,943
5+ bedrooms	5	30	268	146	274	724

Source: Census 2011, AECOM Calculations

103. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 5-11 above, modelling the change in the age structure of the population in Tiverton.
104. Table 5-12 on the next page indicates that, by 2033, ideally medium sized dwellings will form for the majority of Tiverton's housing stock such as 3 bedroom homes (40%), 2 bedroom homes (27%) and 4 bedrooms homes (18%).

Table 5-12: 2011 housing sizes compared to ideal distribution at end of Plan period, Tiverton

Number of bedrooms	2011		2033	
1 bedroom	973	10.6%	949	8.8%
2 bedrooms	2,776	30.2%	2,925	27.1%
3 bedrooms	3,784	41.2%	4,267	39.5%
4 bedrooms	1,207	13.1%	1,943	18.0%
5 or more bedrooms	417	4.5%	724	6.7%
Total households	9,182	100.0%	10,809	100.0%

Source: Census 2011, AECOM Calculations

105. Table 5-13 below sets out the estimated misalignment between future demand for housing, based on the modelled preferences of households at different life-stages, and the current stock available in the Neighbourhood Plan area.

Table 5-13: Future potential misalignments of supply and demand for housing, Tiverton

Number of bedrooms	2011	2033	Change to housing mix	Recommended split
1 bedroom	973	949	-24	0.0%
2 bedrooms	2,776	2,925	149	8.9%
3 bedrooms	3,784	4,267	483	28.8%
4 bedrooms	1,207	1,943	736	43.9%
5 or more bedrooms	417	724	307	18.3%

Source: AECOM Calculations

106. The interim result of the life-stage modelling exercise, therefore, is that to minimise misalignments between supply and demand, 8.9% should have two bedrooms, 28.8% should have three bedrooms, 43.9% should have four bedrooms and 18.3% should be of 5 or more bedrooms.
107. Note that the changes to the housing mix given above for 1-bedroom dwellings are negative numbers. Because in light of the national and local housing shortage, it is rarely advisable or practicable to remove dwellings from the available stock, as would otherwise be suggested here for dwellings with one bedroom, we have instead set the recommended split at 0% rather than a negative number, and rebalanced the other sizes as percentages of the additional dwellings they represent in total. In other words, the interim results of the life-stage modelling suggest that there will be no need for further 1-bedroom dwellings over the Neighbourhood Plan period.
108. To understand these recommendations, it is worth analysing to what extent they reflect projected demographic change versus imbalance in existing stock. Returning to Table 5-4, we can see that in comparison to the district (upon which the NA's ideal dwelling size distribution is based), Tiverton has a greater proportion of 1-3 bed homes and a smaller proportion of 4+ bed homes. This results in the recommendation of more large dwellings in the NA, as seen in Table 5-13, in order to balance the housing stock in line with Mid Devon. Another reason for this recommendation, is that Tiverton's dwelling size distributions are modelled from those of Mid Devon's. As Table 6-11 shows, a significant proportion of those aged 35-65, occupy 4-5 bedroom dwelling within the district, as such, a similar preference is assumed within Tiverton.
109. It should also be noted that this recommended split is the result of a modelling exercise based on census data and is not able to include forms of evidence at local level. These percentages should therefore be applied with some level of flexibility.

Downsizing

110. It is also worth noting that the propensity of households of different age bands to occupy different sizes of dwelling is not a pure expression of preference. It is also, of course, constrained by the actual housing stock on offer and affordability: households can only make choices based on the limited range of options available to them.
111. Although the housing market does to an extent ensure that supply reflects demand at the time of construction, the UK's housing stock has been built up over centuries. The total stock of housing that has been accumulated to the present day is therefore not necessarily well-aligned with today's demographic profile and consumer preferences.

112. The obstacle for many potential downsizers is an undersupply of suitable smaller dwellings to move into, and the competition for such dwellings from newly forming households. It may be that the number of one to two-bedroom dwellings recommended here should, for this reason, be higher, in order to facilitate downsizing, especially considering the expected growth in Tiverton's retirement population. This recommendation conflicts with the suggested split presented in Table 5-13, however it should again be noted that the split is merely a suggestion and should be applied flexibly. Therefore if local circumstance suggests smaller homes would be more appropriate for the purpose of downsizing, this should be given greater weight.
113. It is important to view the sizes of additional dwellings needed in Tiverton over the Plan period in the context of such issues, and may also be useful to gather additional sources of data, such as household surveys about the desire and ability of Tiverton residents to downsize to smaller properties, when planning for the future dwelling mix.

5.6 Conclusions- Type and Size

114. In terms of type, Tiverton is currently characterised by a high proportion of 'Whole houses and bungalows', split equally between detached, semi-detached and terraced dwellings. These are likely to be small to medium sized homes of 4-6 rooms.
115. Over the inter-census period, 2001-2011, both small and large homes (2-3 rooms and 7+ rooms) have expanded considerably, indicating a growing need for these types looking towards the future
116. The Exeter SHMA predicts significant growth amongst Mid Devon's elderly population between 2013 and 2033 which may impact on the demand for smaller dwellings, bungalows and specialist housing. The SHMA also suggests size targets based on tenure category. The recommendation for most categories, such as Market and Affordable housing, is to build smaller homes of 1-2 bedrooms to meet the needs of those on lower incomes who are only just able to access the housing market.
117. Tiverton's population is currently made up of family groups and elderly people, with a noticeable dearth of younger people (aged 16-24). However, over the inter-census period, the NA has seen an increase in all age categories, particularly among this younger age bracket. This increase in the younger population may impact the demand of smaller, more affordable homes, suitable for first time buyers.
118. Next we turn to results from life-stage modelling. The relationship between age and dwelling size in the district shows 3 key themes: preference for smaller dwellings amongst younger households, medium dwellings amongst middle-aged households and back to smaller dwellings amongst elderly households.
119. Projections of household distribution at district level can also give us an accurate picture of what Tiverton's demographic will look like towards the end of the plan period. According to these estimates, the elderly population is set to nearly double between 2011 and 2033, whilst most other age groups appear to stagnate.
120. Combining these projections with current preferences between household age and dwelling size at district level, indicates how many properties of each size will be needed by the end of Tiverton's Plan period. This results in the following dwelling size split: 1 bedroom (8.8%), 2 bedroom (27.1%), 3 bedroom (39.5%), 4 bedroom (18%) and 5+ bedroom (6.7%).
121. Comparing this to current levels of housing stock in Tiverton, shows a need for more dwellings of all sizes, but particularly 3 and 4 bedroom homes.
122. However it is worth recognising that this recommendation is limited in several respects. Overall, it reflects the present imbalance in Tiverton's housing stock as much as demographic projections. Furthermore, the high proportion of large homes recommended seems to conflict with earlier conclusions from the Exeter SHMA which advises building more smaller units to cope with the rise in elderly people. In that respect, it is advisable for this housing size split to be applied with some level of flexibility.
123. Furthermore, it should also be noted that this recommended split is the result of a modelling exercise based on census data and is not able to include forms of evidence at local level. These percentages should therefore be applied with some level of flexibility.
124. The type of home (detached, semi-detached, terraced or flat) is more a matter of taste than need and is therefore of secondary importance in the context of a Housing Needs Assessment. Notwithstanding this, the housing types that are most likely to meet local needs, based on the current stock transaction data from the land registry, are detached homes. Additionally, bungalows appeal to the elderly population and this particular type should be promoted so as to meet the demand of a growing elderly population.

6. RQ 3: Newly forming households/first-time buyers

RQ3: What provision should be made in terms of housing for newly forming households/first-time buyers over the Neighbourhood Plan period?

6.1 Introduction

125. The neighbourhood group have asked AECOM to consider the housing needs of newly forming households in Tiverton. For the purpose of this HNA, we define newly forming households as those where the HRP (HRP- a more modern term for 'head of household') is aged between 18 and 35 and is looking to form their own independent household.

6.2 Assessment

126. In order to understand the needs of newly-forming households, we start by interrogating the ONS 'Age by Single Year' dataset.²⁶ This reveals that there were 3,543 individuals aged between 18 and 35 in the Neighbourhood Plan area in 2011. This represents 17% of the population. These individuals may or may not have formed their own households.

127. Table 6-1 below shows that there is a total of 1,524 households with an HRP aged under 35, or around 17% of all 9,182 households in Tiverton. To estimate the number of individual residents aged between 18 and 35 this represents, we use the following approach:

- i. Multiply the number of households under 35 by the average household size in the Neighbourhood Plan area (2.32 individuals per household), which results in 3,536 individuals. ($1,524 * 2.32 = 3,536$)
- ii. We then discount all children (i.e. individuals under the age of 18). As 761 households live with at least one dependent child, we estimated there were about 761 children among these households. ($3,536 - 761 = 2,775$)
- iii. Therefore, among the 3,543 individuals who are between 18 and 35, 2,775 have formed their own household and 768 have not. ($3,543 - 2,775 = 768$)
- iv. This represents 331 households that could potentially be formed (768 divided by 2.32).

128. We make the reasonable assumption that those individuals with the potential to form new households who have not yet done so are, in most cases, still living with their parents. They will not yet have formed their own household for many potential reasons, but most likely the absence of suitable affordable tenures.

129. Therefore, around 331 households in Tiverton had the potential to form their own household, but had not yet done so, at the time of the last Census in 2011 (3.6% of the total number of households).

Table 6-1: Households in Tiverton with HRP under the age of 35, 2011

Household composition	Number
Age of HRP under 35: One person household	335
Age of HRP under 35: Two or more person household: No dependent children	428
Age of HRP under 35: Two or more person household: With dependent children	761
Age of HRP under 35: Total	1,524

Source: ONS, 2011

130. Now that we have identified the number of households with potential to form but who have not yet done so, we need to determine the type of tenures they are most likely to occupy. To do so, we assess the tenures of households in the Neighbourhood Plan area where the HRP is aged 24 or younger, as well as those with HRPs aged 25 to 49. The results are set out in Table 6-2 below.

131. The table shows that those aged 24 and under tend to live within rented accommodation or live rent free (86.1%). Meanwhile, those aged 25 to 49 tend to be more equally split, with 53.2% owning their own homes and 46.8% renting or living rent free.

²⁶ ONS, Census 2011: QS103EW.

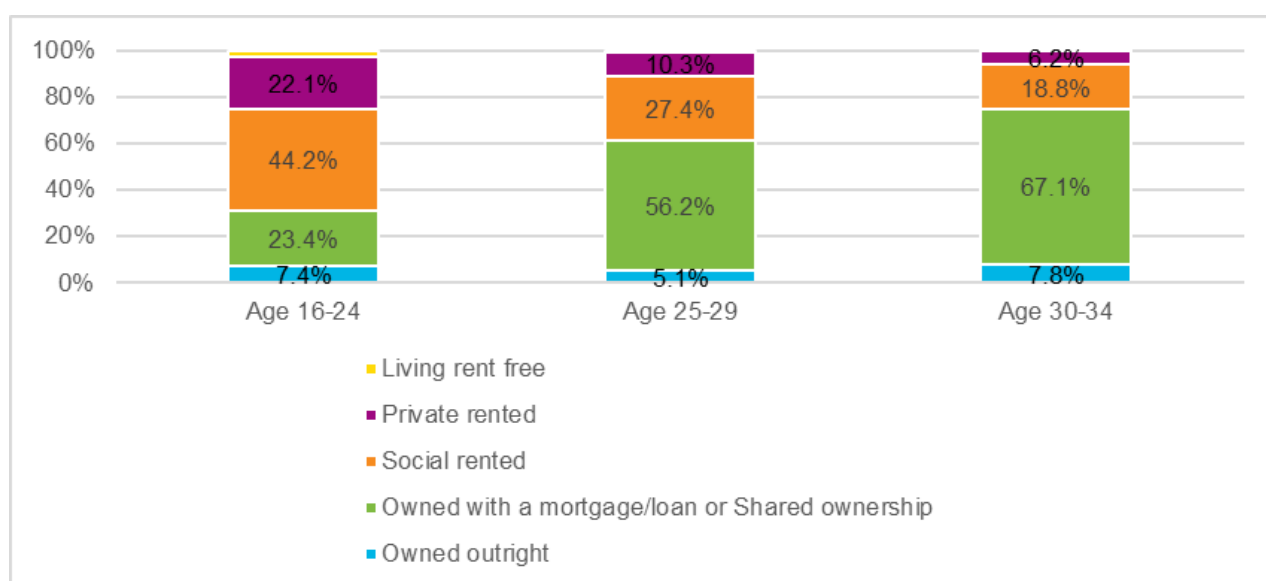
Table 6-2: Tenures occupied by HRP under the age of 50, Tiverton, 2011

Tenure	Age 24 and under		Age 25 to 49	
	Number	Percent	Number	Percent
All categories: Tenure	361	100%	3,604	100%
<i>Owned or shared ownership: Total</i>	50	13.9%	1,917	53.2%
Owned: Owned outright	8	2.2%	264	7.3%
Owned: Owned with a mortgage or loan or shared ownership	42	11.6%	1,653	45.9%
<i>Rented or living rent free: Total</i>	311	86.1%	1,687	46.8%
Rented: Social rented	100	27.7%	614	17%
Rented: Private rented or living rent free	211	58.4%	1,073	29.8%

Source: ONS, 2011

132. The data we have just examined considers the tenure of households with HRPs aged 49 and under as a single group. However, the tenures occupied by different households can vary significantly between these ages.
133. Such data is only available at the level of Mid Devon. This data, presented in Figure 6-1 below reveals that, as might be expected, all rental tenures become less popular as household owners grow older, whilst home ownership becomes more popular.
134. Those under the age of 25 are much more likely to be in private rented accommodation, and less than half as likely to be on a path to home ownership as those over 30.
135. A much higher proportion of social rented tenants tend to be under 25, potentially indicating a lack of affordable homes for young people in the area.

Figure 6-1: Tenure by age of HRP, Mid Devon, 2011



Source: ONS, 2011

6.3 SHMA findings

136. The 2015 Exeter SHMA estimated that 32% of newly formed households in Mid Devon will be unable to afford to privately rent in the open market.
137. It also predicts an increase in the population across the younger economically active age groups from 2013-2033.
138. In terms of rental affordability, despite record low interest rates the price to earnings ratio remains high, creating an affordability problem for newly forming households. Tighter mortgage lending criteria and the need for high deposits also contribute to this problem.

6.4 Conclusions- Newly-forming households/first-time buyers

139. It can therefore be concluded that, on the basis of ONS Census 2011 data, about 768 individuals below 35 had not formed their own household by that year. This represents around 331 new households with the potential to form.
140. Based on the average of the numbers in Table 4-6, an estimated tenure split of new-build homes can be calculated, having regard to the specific tenure needs of newly forming households. It should be noted that this estimated split emphasizes the importance to such households of both entry-level market sales (including affordable routes to home ownership) and private rent.
141. It is recommended that neighbourhood planners seek to promote these tenures within new housing developments if the policy goal is to ensure that suitable and affordable housing for younger people can be provided within the Neighbourhood Plan area.
142. The 2015 Exeter SHMA raises concerns over the affordability of homes in Mid Devon for newly forming households, citing that one-third of newly forming households in the area will be unable to afford market rental tenures.

Table 6-3: Tenure recommended in Tiverton to meet the needs of newly forming households

Tenure	Recommended proportion
Home ownership	11%
Shared Ownership	13%
Social rent	36%
Private rent	42%

Source: AECOM calculations

7. RQ 4: Specialist housing for older and disabled people

RQ4: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

7.1 Introduction

143. This chapter considers in detail the specialist housing needs for older and disabled people in Tiverton. It considers the quantity, tenure and size of dwellings to plan for.
144. In the Planning Practice Guidance (PPG), the Government states that plans need to provide for specialist housing for older people where a need exists. Innovative and diverse housing models will need to be considered where appropriate.²⁷
145. It is important to note that, as stated in the PPG, the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the overall (i.e. the total) housing need figure. 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 projected new households which form the baseline for the standard method.²⁸
146. Specialist housing for older and disabled people is appropriate to consider for the population aged 75+. The needs of this sector of the population have been assessed through two methods. The first is a tenure-led projection, based on the tenure of dwellings typically occupied by people in this age group. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network's (HLIN) Strategic Housing for Older People (SHOP) tool²⁹, which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
147. Housing needs assessment covers the need for houses that fall for the purposes of the planning system into Use Class C3 (private dwellings)³⁰. Any assessment of need for residences that fall into Use Class C2 (residential institutions, which include prisons, boarding schools and some care homes for the elderly) would be a separate exercise outside the scope of a standard HNA. Unfortunately, however, the dividing line between care homes for the elderly that fall into use class C2 and those where accommodation is counted as C3 is blurred. In some cases, residential homes for the elderly, particularly those where independent living is emphasised and care provision is more limited, will be counted as C3. However, in other cases, particularly where care provision is higher, they will be counted as C2. There is no hard and fast rule- clear differentiation between the two has not been set in government policy.
148. As such, existing and future specialist housing for older and disabled people may be either C2 or C3, but the important point is that it is not possible to state definitively at the time of assessment whether any new provision forecast to be needed on the basis of current evidence will fall into use class C2 or C3. The distinction is important because accommodation in C2 buildings does not count towards the overall housing target for the neighbourhood plan areas whereas C3 accommodation units do. Therefore, it is not possible to state at this point the extent of overlap, if any, between the overall quantity of specialist housing forecast to be required and the overall housing quantity figure for the plan area.

7.2 Housing for older people- context

149. MHCLG's guidance on housing for older and disabled people states that the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million. Offering older people a better choice of accommodation to suite their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an

²⁷ See Paragraph: 012 Reference ID: 63-012-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

²⁸ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

²⁹ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

³⁰ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

understanding of how the ageing population affects housing needs is something to be considered from the early stages of plan-making through to decision-taking³¹.

150. Disabilities can include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs, which may generate a range of housing requirements which can change over time. Unsuitable or unadopted housing can have a negative impact on disabled people and their carers. An ageing population will see the numbers of disabled people continuing to increase, and it is important to plan early to meet their needs throughout their lifetime.
151. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both market housing and more specialist accommodation. Two main types of specialist accommodation for older people include sheltered housing and extra care housing (see Appendix B for definitions).
152. Between 1974 and 2015, the population aged 65 and over in England grew 47% and the population aged 75 and over grew by 89%.³² A Demos survey of over 60s conducted in 2013 found a “considerable appetite” amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.³³
153. Indeed, 76% of those in homes of three or more bedrooms wished to downsize, and this increased to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.³⁴ However, in spite of evidence of high demand, currently only 5% of elderly people’s housing is made up of specialist homes,³⁵ with Demos suggesting that “the chronic under-supply of appropriate housing for older people is the UK’s next housing crisis”,³⁶ and local authorities often “accused of reluctance to approve development plans for specialist housing...out of fear of increased care costs”.³⁷ Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately does is likely to be relatively low, and many who downsize may move into general needs housing, for example market sale bungalows.
154. In 2014, there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.³⁸ This situation reflects the significant constraints on the delivery of such housing in the market sector, as well as the improved health of older people today in comparison with previous generations.
155. Local planning authorities can plan for senior co-housing communities through their implementation of the Self-build and custom-build legislation 2015³⁹, as some communities will be looking to build the development themselves. Local authorities can also identify sites suitable for senior co-housing communities as part of their overall assessment of land available for housing over the plan period.⁴⁰
156. Given that the vast majority of people over 75 live in their own homes, but that the current stock is primarily for social rent, AECOM has developed a ‘tenure-led’ approach to calculating the need for specialist housing, which also takes into account the health and mobility of population of the Neighbourhood Plan area so as to develop projections for future need for specialist housing provided with some level of care or other services.

7.3 Approach

157. In accordance with NPPF guidance, this chapter applies a three stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of elderly people in the Neighbourhood Plan area, and Census data relating to mobility limitations and overall health.⁴¹ These are then

³¹ Available at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

³² <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³³ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³⁴ Ibid.

³⁵ https://www.housinglin.org.uk/_assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

³⁶ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³⁷ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³⁸ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf

³⁹ <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

⁴⁰ See Paragraph: 011 Reference ID: 63-011-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

⁴¹ <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across Mid Devon.

158. Clearly, this calculation represents an assumption, with the actual decision for an elderly or disabled person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of elderly people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of elderly people currently choose to continue to live in their homes into their old age.
159. The charity Age UK suggests that “inaccessible housing should not force anyone out of their home or local community against their wishes. It’s much better to have ‘pull factors’ that attract older people towards housing alternatives.”⁴² By understanding the tenure breakdown of specialist housing need, we are able to better understand the extent to which demand will be a factor in this market segment.

7.3.1 Current supply of specialist housing for older and disabled people

160. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. There are a number of ways to do this. Data may be available within Mid Devon’s housing evidence base. Alternatively, data may be collated manually on the amount of specialist housing within a given area using the search function on the Elderly Accommodation Councils Website: <http://www.housingcare.org>.
161. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.⁴³ This is because for the purposes of the UK planning system, such institutions occupy a different land-use class from other housing (use class C2, which comprises residential institutions, versus C3, which comprises private dwellings)⁴⁴. However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this Housing Needs Assessment. Having said this, we will note the existing provision of such institutional accommodation where it exists in Tiverton.
162. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Mid Devon, it identified 355 residents living in care homes, 14 in care homes with nursing and 341 in care homes without nursing.⁴⁵
163. There are 12 specialist accommodation establishments in Tiverton, as detailed in Table 7-1 below. Given that communal establishments are generally outside the scope of housing needs assessments for the reasons described above, we need to discount those care homes from our analysis. This gives a total of **316** specialist dwellings (or bed spaces), for a 2011 population aged 75+ of 2,043. This suggests the actual rate of provision in Tiverton is close to **155** dwellings per 1,000 of the population aged 75+.

⁴² See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

⁴³ Further details on the definition of different types of housing within the English planning system are available at <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

⁴⁴ See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

⁴⁵ ONS, 2011 (KS405EW)

Table 7-1: Existing specialist housing for the elderly in Tiverton

	Name	Description	Bed spaces	Tenure	Type
1	Brewin Road	25 flats	25	Rent (social landlord)	Retirement Housing
2	Bridewell Court	21 flats	21	Rent (social landlord)	Retirement Housing
3	Butts Close/ East Close	32 bungalows	81	Rent (social landlord)	Retirement Housing
4	Castle Grove	5 cottages	5	Rent (market)	Retirement Housing, Close Care Housing
5	Duffield House	10 flats	10	Rent (social landlord)	Retirement Housing
6	Fig Tree Court	14 flats	14	Leasehold	Retirement Housing, Close Care Housing
7	Greenway Gardens	39 flats	40	Rent (social landlord)	Retirement Housing
8	John Greenway Close	39 flats	40	Rent (social landlord)	Retirement Housing
9	Kingstreet & Pathfield	25 bungalows	25	Rent (social landlord)	Retirement Housing
10	Prospect Place	7 flats	7	Rent (social landlord)	Retirement Housing
11	Slees Almshouses	3 flats	3	Rent (social landlord)	Retirement Housing
12	Westfield Road	45 bungalows	45	Rent (social landlord)	Retirement Housing

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

7.3.2 Tenure-led projections

164. Turning now to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Mid Devon, as this is the smallest geography for which tenure by age bracket data is available. We take this age cohort-based approach because it is these households which, over the next 20 years, will be reaching the age of 75+, which is considered the typical threshold age for specialist housing provision. We will then use the existing tenure split within this cohort to project forward the need for specialist housing according to different tenure.
165. The projection is based on the premise that those currently occupying their own home will also 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 accommodation of some kind.
166. According to Table 7 2 below, the majority of those over age 55 own their homes outright. 13% rent their accommodation, primarily within the social rented tenure.

Table 7-2: Tenure of households aged 55-75 in Mid Devon, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
86.7%	61.8%	24.9%	13.3%	11.6%	1.4%	0.2%

Source: Census 2011

167. The next step is to project how the overall number of older people in Tiverton is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Mid Devon at the end of the Plan period. The figure must be extrapolated from the LPA data because such projections are not available at neighbourhood level. The results are set out in Table 7-3 below.
168. This calculation indicates that the elderly population in Tiverton is expected to grow by 5.5%, in line with that of Mid Devon. 15% of Tiverton's population in 2033 is projected to be elderly, increasing the potential demand for homes that meet the needs of aging people.

Table 7-3: Modelled projection of elderly population in Tiverton by end of Plan period

Age group	2011		2033	
	Tiverton (Census)	Mid Devon (Census)	Tiverton (AECOM)	Mid Devon (ONS)
All ages	21,335	77,750	23,567	85,884
75+	2,043	7,353	3,557	12,803
%	9.6%	9.5%	15.1%	14.9%

Source: ONS SNPP 2016, AECOM Calculations

169. The results of this exercise provide us with a projection of the number of people in Tiverton living in each tenure in the 75+ cohort by 2033, as shown in the table below. This projection is calculated by multiplying the projected number of people aged 75 and over by the end of the Plan period by the tenure split for Mid Devon presented in Table 7-2 above, and is set out in Table 7-4 below.
170. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2033, and consequently the number of specialist units to be provided, the growth in the overall population of those aged 75 and over may be used.
171. This is justified on the basis that the proportion of people over the age of 75 living alone on account of, for example, the death of a partner, is higher than the average for the population as a whole.

Table 7-4: Projected tenure of households aged 75+ in Tiverton 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
3085	2200	885	472	412	51	9

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

172. Next, we consider the incidence of mobility limitations, as defined by the Census, within each tenure group for those aged 65+ in Tiverton. This allows us to link the levels of need (as defined by extent of mobility limitations within the population) to tenure (based on the premise that such needs can be used as a proxy for the need for specialist housing in this age group).
173. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives.

Table 7-5: Tenure and mobility limitations of those aged 65+ in Tiverton, 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	
All categories: Tenure	4,130	927	22.4%	1,111	26.9%	2,092	50.7%
Owned or shared ownership: Total	3,044	540	17.7%	818	26.9%	1,686	55.4%
Owned: Owned outright	2,669	440	16.5%	728	27.3%	1,501	56.2%
Owned: Owned with a mortgage or loan or shared ownership	375	100	26.7%	90	24.0%	185	49.3%
Rented or living rent free: Total	1,086	387	35.6%	293	27.0%	406	37.4%
Rented: Social rented	862	324	37.6%	244	28.3%	294	34.1%
Rented: Private rented or living rent free	366	112	30.6%	93	25.4%	161	44.0%

Source: DC3408EW Health status

174. If we focus on those whose activities are limited a lot, the calculations suggest that of the 1,086 renters and 2,669 owners in Tiverton in this age group, there could be a need for 427 specialist homes for owner occupiers (17.7% x 2,669) and 387 for renters of all kinds (35.6% x 1,086), or 814 new specialist homes in total.
175. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot will 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.

Table 7-6: AECOM estimate of specialist housing need in Tiverton by the end of the Plan period (totals may not sum due to rounding)

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	716
	168	547	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	956
	127	829	
Total	296	1,376	1,672

Source: Census 2011, AECOM Calculations

176. The number of households falling into potential need for specialist accommodation is therefore 1,672, which is 47% of the 3,557 households in total aged 75 and above projected to live in Tiverton by the end of the Plan period.

7.3.3 Housing LIN-recommended provision

177. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), an authority on how to plan for the housing needs of the elderly. In Table 7-7 below we reproduce the key table from their Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide, based on best practice research, 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) ³⁶	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: Housing LIN SHOP Toolkit

As we have seen in Table 7-3, Tiverton is forecast to have an over-75 population of 3,557 by the end of the Plan period, an estimated increase of 1,514 people from the 2011 Census. According to the HLIN recommendations, and assuming that a range of suitable accommodation was already available in 2011, this should mean there will be an additional need as follows:

- Conventional sheltered housing to rent = $60 \times 1.514 = 91$
- Leasehold sheltered housing = $120 \times 1.514 = 182$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 1.514 = 30$
- Extra care housing for rent = $15 \times 1.514 = 23$
- Extra care housing for sale = $30 \times 1.514 = 45$
- Housing based provision for dementia = $6 \times 1.514 = 9$

178. This produces an overall total of 380 specialist dwellings.

179. Table 7-8 below sets out the HLIN recommendations in the same format as Table 7-6 above.

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

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	105
	45	60	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	273
	91	182	
Total	136	242	378

Source: Housing LIN, AECOM calculations

7.4 SHMA findings

180. According to the 2014 Exeter Housing Market Area SHMA, Mid Devon is expected to see 54% growth in population of those over 65. As a whole, the SHMA area currently has an elderly population profile and it is projected to get older while the working age population changes less significantly.
181. Mid Devon has a retirement rate of 16.5%, which is average for the SHMA area. High levels of retirement can impact on the economy of an area creating lower levels of economically active households. High levels of retirement also indicates an elderly population who will in the future require suitable accommodation to meet their needs and housing may need to be purpose built or adapted for households with older residents.
182. The SHMA suggests Local Development Documents will need to take account of the projected growth in demand in older population sectors and the strategic implications of these projections:
- Growth in the number of individuals in the 45 to 64 age group is most likely to increase the demand for higher quality market housing (e.g. typically bigger and higher specification homes), whilst the increase in the number of people in the 65+ age group will impact on the demand for bungalows and flats in the market sector and sheltered and supported accommodation;
 - As older people tend to remain in their family home after children have left home or after the loss of a partner there is a growing trend of under-occupation in both sectors of the housing market;
 - The increase in older householders (i.e. 80+) will have implications for support services, options for housing with support, extra care housing, long term sustainability of accommodation, equity release schemes, adaptations, and other age related requirements.

7.5 Conclusions- Specialist Housing for older and disabled people

183. In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose needs are relatively limited in Table 7-6 (1,111 HRP) with 'sheltered housing' in Table 7-8 (273 HRP), even though both types of housing address the needs of those with relatively lesser disability. This is because there is a range of housing suitable for this group of the population, whereas the HLIN identifies only sheltered housing specifically.
184. A more accurate result, therefore, can be achieved by comparing the 716 dwellings identified in the tenure-led approach for those who require housing with care with the 378 specialist dwellings that emerge from the HLIN calculations. By contrast, the 716 figure in the tenure-led projections is based on those whose day-to-day needs are limited only a little, and whose housing needs therefore have the potential to be provided through adaptations to a conventional home.
185. For this reason, our recommendation would be to treat these targets as a range, with at least 378 specialist dwellings being required to service the needs of elderly people over the Plan period, and the projection of 716 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.
186. The 2014 Exeter Housing Market Area SHMA expects Mid Devon's population over 65 to grow by 54%, and raises concerns about the amount of appropriate housing available to suit elderly people's needs. This includes growing concerns over support services, sheltered homes, and other age-related requirements.
187. As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to ensure both the upper and the lower estimates are net rather than gross figures by deducting the current supply of specialist housing for older people in Tiverton and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.
188. Recall that there are 316 existing units of specialist housing for older people in Tiverton, for a 2011 population of 2,043 people aged 75. This suggests the actual rate of provision in Tiverton is approximately 155 dwellings per 1,000 population aged 75+. Referring to the minimum target produced by the Housing LIN-based calculation, this means there are an additional (i.e. net) 62 specialist units (378 – 316) that need to be provided over the Plan period.
189. Based on the tenure categories across current supply, the net additional supply required can be deducted by tenure category from the Housing LIN-recommended targets. Table 7-9 provides the final recommendation.

Table 7-9: Final recommendation for additional specialist housing provision to 2032

	Affordable	Market	Total
Extra care housing	45	60	105
Sheltered housing or adaptations	91 - 316 = 0	182	182
Total	45	242	287

Source: Housing LIN, <https://housingcare.org>, AECOM Calculations

190. In addition, given that specialist housing for the elderly costs more to build, it is considered that to assume 25% of all specialist housing for the elderly should comprise AH tenures is reasonable and realistic, midway between the tenure-led and Housing LIN projections. This midpoint target should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate.
191. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for the elderly 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.
192. 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).
193. It is considered that Tiverton is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Tiverton in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood 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.
194. Wherever the specialist housing need 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 elderly people who wish to leave their family homes in their old age.

8. Conclusions

8.1 Overview

195. 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 Tiverton with a potential impact on Neighbourhood Plan housing policies

Issue	Conclusions and recommendations												
<p>RQ 1: Tenure and affordability</p>	<p>At present home ownership is the most popular form of tenure in Tiverton, followed by Social and Private Rented accommodation.</p> <p>Over the inter-census period, the number of those renting privately has increased dramatically. This could be down to several reasons such as potential buyers being priced out of home ownership, younger generations seeking the greater flexibility associated with Private Rent and an increase in buy-to-let investors.</p> <p>Shared Ownership has also increased significantly thanks to a government-backed scheme relaunched in the last 10 years.</p> <p>House prices in Tiverton have grown at a steady rate between 2009 and 2018, increasing by an average of 28%, higher than both district and national rates. Semi-detached homes within the NA have seen the most significant increase in price, followed by terraced and detached homes.</p> <p>The median and lower quartile annual household income within the Neighbourhood Plan area are £27,567 and £18,709 respectively. Comparing these affordability thresholds with costs of each tenure, it is clear that the most affordable forms of tenure in Tiverton are Social Rent, Affordable Rent and Shared Ownership at 25% and 50%.</p> <p>The Exeter Housing Market SHMA advises building more low cost market housing within the District to assist first time buyers. It also weights the tenure mix balance in favour of Social rent over Intermediate housing (75:25), to account for those unable to afford Private Rent. The recommended tenure mix takes this ratio into account with a similar split (60:40) between Social Rent and Intermediate Housing. It is important to note however the SHMA tenure split is based on an average of the data taken from all Exeter Housing Market Areas and therefore isn't directly comparable with the NA tenure split.</p> <p>Mid Devon District Council provides a quantity figure of 2,358 dwellings to be provided in Tiverton over the Neighbourhood Plan period. Local Policy requires that 30% of these or 707 homes should be affordable. In terms of a tenure split, we recommend 40% offer routes to home ownership (10% Starter Homes and 30% Shared Ownership at 25% and 50%) and 60% offer Affordable Housing for rent in the form of Social Rent.</p> <p>Table 8-6: Recommended tenure split (Affordable Housing)</p> <table border="1" data-bbox="486 1624 1241 1899"> <thead> <tr> <th>Routes to home ownership, of which</th> <th>40%</th> </tr> </thead> <tbody> <tr> <td>Starter Homes</td> <td>10%</td> </tr> <tr> <td>Shared Ownership (at 25%)</td> <td>20%</td> </tr> <tr> <td>Shared Ownership (at 50%)</td> <td>10%</td> </tr> <tr> <th>Affordable Housing for rent, of which</th> <th>60%</th> </tr> <tr> <td>Social Rent</td> <td>60</td> </tr> </tbody> </table> <p><i>Source: AECOM calculations</i></p>	Routes to home ownership, of which	40%	Starter Homes	10%	Shared Ownership (at 25%)	20%	Shared Ownership (at 50%)	10%	Affordable Housing for rent, of which	60%	Social Rent	60
Routes to home ownership, of which	40%												
Starter Homes	10%												
Shared Ownership (at 25%)	20%												
Shared Ownership (at 50%)	10%												
Affordable Housing for rent, of which	60%												
Social Rent	60												

<p>RQ 2: Type and size</p>	<p>In terms of type, Tiverton is currently characterised by a high proportion of 'Whole houses and bungalows', split equally between detached, semi-detached and terraced dwellings. These are likely to be small to medium sized homes of 4-6 rooms.</p> <p>Over the inter-census period, 2001-2011, both small and large homes (2-3 rooms and 7+ rooms) have expanded considerably, indicating a growing need for these types looking towards the future</p> <p>The Exeter SHMA predicts significant growth amongst Mid Devon's elderly population between 2013 and 2033 which may impact on the demand for smaller dwellings, bungalows and specialist housing. The SHMA also suggests size targets based on tenure category. The recommendation for most categories, such as Market and Affordable housing, is to build smaller homes of 1-2 bedrooms to meet the needs of those on lower incomes who are only just able to access the housing market.</p> <p>Tiverton's population is currently made up of family groups and elderly people, with a noticeable dearth of younger people (aged 16-24). However, over the inter-census period, the NA has seen an increase in all age categories, particularly among this younger age bracket. This increase in the younger population may impact the demand of smaller, more affordable homes, suitable for first time buyers.</p> <p>Next we turn to results from life-stage modelling. The relationship between age and dwelling size in the district shows 3 key themes: preference for smaller dwellings amongst younger households, medium dwellings amongst middle-aged households and back to smaller dwellings amongst elderly households.</p> <p>Projections of household distribution at district level can also give us an accurate picture of what Tiverton's demographic will look like towards the end of the plan period. According to these estimates, the elderly population is set to nearly double between 2011 and 2033, whilst most other age groups appear to stagnate.</p> <p>Combining these projections with current preferences between household age and dwelling size at district level, indicates how many properties of each size will be needed by the end of Tiverton's Plan period. This results in the following dwelling size split: 1 bedroom (8.8%), 2 bedroom (27.1%), 3 bedroom (39.5%), 4 bedroom (18%) and 5+ bedroom (6.7%).</p> <p>Comparing this to current levels of housing stock in Tiverton, shows a need for more dwellings of all sizes, but particularly 3 and 4 bedroom homes.</p> <p>However it is worth recognising that this recommendation is limited in several respects. Overall, it reflects the present imbalance in Tiverton's housing stock as much as demographic projections. Furthermore, the high proportion of large homes recommended seems to conflict with earlier conclusions from the Exeter SHMA which advises building more smaller units to cope with the rise in elderly people. In that respect, it is advisable for this housing size split to be applied with some level of flexibility.</p> <p>Furthermore, it should also be noted that this recommended split is the result of a modelling exercise based on census data and is not able to include forms of evidence at local level. These percentages should therefore be applied with some level of flexibility.</p> <p>The type of home (detached, semi-detached, terraced or flat) is more a matter of taste than need and is therefore of secondary importance in the context of a Housing Needs Assessment. Notwithstanding this, the housing types that are most likely to meet local needs, based on the current stock transaction data from the land registry, are detached homes. Additionally, bungalows appeal to the elderly population and this particular type should be promoted so as to meet the demand of a growing elderly population.</p>
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Issue

Conclusions and recommendations

Table 8-2: Future potential misalignments of supply and demand for housing, Tiverton

Number of bedrooms	2011	2033	Change to housing mix	Recommended split
1 bedroom	973	949	-24	0.0%
2 bedrooms	2,776	2,925	149	8.9%
3 bedrooms	3,784	4,267	483	28.8%
4 bedrooms	1,207	1,943	736	43.9%
5 or more bedrooms	417	724	307	18.3%

Source: AECOM Calculations

RQ 3: Newly forming households/first-time buyers

On the basis of ONS Census 2011 data, about 768 individuals below 35 had not formed their own household by that year. This represents around 331 new households with the potential to form.

Based on the average of the numbers in Table 4-6, an estimated tenure split of new-build homes can be calculated, having regard to the specific tenure needs of newly forming households. It should be noted that this estimated split emphasizes the importance to such households of both entry-level market sales (including affordable routes to home ownership) and private rent.

It is recommended that neighbourhood planners seek to promote these tenures within new housing developments if the policy goal is to ensure that suitable and affordable housing for younger people can be provided within the Neighbourhood Plan area.

The 2015 Exeter SHMA raises concerns over the affordability of homes in Mid Devon for newly forming households, citing that one-third of newly forming households in the area will be unable to afford market rental tenures.

Table 8-3: Tenure recommended in Tiverton to meet the needs of newly forming households

Tenure	Recommended proportion
Home ownership	11%
Entry-level market sales/intermediate ownership product	13%
Social rent	36%
Private rent	42%

Source: AECOM calculations

Issue

Conclusions and recommendations

RQ 4: Specialist housing for older and disabled people

In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose needs are relatively limited in Table 7-6 (1,111 HRP) with 'sheltered housing' in Table 7 8 (273 HRP), even though both types of housing address the needs of those with relatively lesser disability. This is because there is a range of housing suitable for this group of the population, whereas the HLIN identifies only sheltered housing specifically.

A more accurate result, therefore, can be achieved by comparing the 716 dwellings identified in the tenure-led approach for those who require housing with care with the 378 specialist dwellings that emerge from the HLIN calculations. By contrast, the 716 figure in the tenure-led projections is based on those whose day-to-day needs are limited only a little, and whose housing needs therefore have the potential to be provided through adaptations to a conventional home.

For this reason, our recommendation would be to treat these targets as a range, with at least 378 specialist dwellings being required to service the needs of elderly people over the Plan period, and the projection of 716 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.

The 2014 Exeter Housing Market Area SHMA expects Mid Devon's population over 65 to grow by 54%, and raises concerns about the amount of appropriate housing available to suit elderly people's needs. This includes growing concerns over support services, sheltered homes, and other age-related requirements.

As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to ensure both the upper and the lower estimates are net rather than gross figures by deducting the current supply of specialist housing for older people in Tiverton and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.

Recall that there are 316 existing units of specialist housing for older people in Tiverton, for a 2011 population of 2,043 people aged 75. This suggests the actual rate of provision in Tiverton is approximately 155 dwellings per 1,000 population aged 75+. Referring to the minimum target produced by the Housing LIN-based calculation, this means there are an additional (i.e. net) 62 specialist units (378 – 316) that need to be provided over the Plan period.

Based on the tenure categories across current supply, the net additional supply required can be deducted by tenure category from the Housing LIN-recommended targets. The table below provides the final recommendation.

Table 8-4: Final recommendation for additional specialist housing provision to 2032

	Affordable	Market	Total
Extra care housing	45	60	105
Sheltered housing or adaptations	91 - 316 = 0	182	182
Total	45	242	287

Source: Housing LIN, <https://housingcare.org>, AECOM Calculations

In addition, given that specialist housing for the elderly costs more to build, it is considered that to assume 25% of all specialist housing for the elderly should comprise AH tenures is reasonable and realistic, midway between the tenure-led and Housing LIN projections. This midpoint target should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate.

8.2 Recommendations for next steps

196. This Neighbourhood Plan housing needs assessment aims to provide Tiverton 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 Mid Devon with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular the following: Condition A, namely that the Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
 - The views of Mid Devon – in particular in relation to the quantity of housing that should be planned for;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers;
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Mid Devon, including but not limited to the Strategic Housing Land Availability Assessment (SHLAA);
 - The recommendations and findings of this study; and
 - The impact of the Government's Standard Methodology on calculating housing need for Mid Devon and the neighbourhood plan areas within it.
197. This advice note 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.
198. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Mid Devon or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
199. 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 Market housing

200. Market dwellings are accessible to people on higher incomes. Choices in the housing market are driven principally by spending power, life stage, and personal taste.
201. The operation of the housing market is, in most circumstances, the best means of addressing the demand for different types of housing for sale. For this reason, it is important that planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand, because this is the principal way equilibrium is achieved in the market and thus house price growth kept in check.
202. In this sense, the notion of development viability is essential. It is important not to deter development in the context of clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.
203. To determine affordability in market housing, we consider two primary indicators: income thresholds (IT), which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds (PT), which denote the standard household income required to access mortgage products.

i) Market sales

204. The starting point for calculating the affordability of a dwelling for sale (i.e. the PT) from the perspective of a specific household is the loan to value ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
205. To produce a more accurate assessment of affordability, both the savings available for a deposit and the equity in the home from which the buyer is moving (if not a first-time buyer) should be taken into account. However, this data is not available for Tiverton. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.
206. The calculation is therefore:
207. Value of an 'entry level dwelling'⁴⁶ = £160,000;
208. Purchase deposit = £16,000 @10% of value;
209. Value of dwelling for mortgage purposes = £144,000 ;
210. Loan to value ratio = 3.5 of value of mortgage;
211. **Purchase threshold = £41,143 .**

ii) Private Rented Sector (PRS)

212. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rent property if the lower quartile private rent does not exceed 25% of gross household income for households with incomes of less than £40,000 per annum, or 30% of gross household income for households with incomes of more than £40,000 per annum.
213. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,⁴⁷ such a home would require three habitable rooms (a flat or house with two bedrooms).
214. The property website [Home.co.uk](http://www.home.co.uk) shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the EX16 postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

⁴⁶ 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Neighbourhood Plan area, as set out in the Tenure and Affordability chapter above.

⁴⁷ This is based on the concept of the 'room standard', which indicates a dwelling is legally overcrowded if two people of the opposite sex have to share a room to sleep in (this does not apply when couples share a room). See: http://england.shelter.org.uk/housing_advice/repairs/overcrowding

215. According to home.co.uk, there are 3 two-bed properties currently listed for rent across EX16, with an average price of £551 per calendar month.
216. It is possible to derive from this data the estimated income threshold for private rental sector dwellings in the Neighbourhood Plan area; the calculation is therefore:
217. Annual rent = £551 x 12 = £6,608 ;
218. Multiplied by 4 = £26,432 ;
219. **Income threshold (private rental sector) = £26,432 .**
220. The NPPF 2018 acknowledges that build-to-rent dwellings have a role to play in providing affordable market homes and may meet affordable housing need where they include a component of affordable private rent.

A.2 Affordable Housing

221. There are a range of tenures that constitute the definition of Affordable Housing within the 2018 NPPF: social rent and affordable rent, starter homes, discounted market sales housing, and other affordable routes to home ownership.
222. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more sectors of the population, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.
223. A good example is, in 2012, the introduction of dwellings for affordable rent. Rent for this tenure is set at up to 80% of market rent. Labelled an 'intermediate' product, this tenure is suitable for people with an income that precludes them from eligibility for socially-rented dwellings (where rent is set in accordance with the Government's rent policy), but who, at the same time, cannot afford to access the private market.
224. The overall aim is to restrict eligibility for social rent dwellings to those with very low household incomes, relatively speaking. However, within this tenure, market principles also apply, given the link between rents and size of dwelling. There is a strong financial incentive for households to only occupy a dwelling deemed suited to their needs, based on an 'occupancy rating' formula set by the Government.
225. We consider each of the affordable housing tenures in turn, before developing a recommendation for how the quota of affordable housing yielded by development should be divided between these tenures.

i) Social rent

226. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual 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 low incomes and is subject to strict eligibility criteria.
227. To determine social rent levels, we used the data and statistical return from Homes England. This data is only available at the LPA level so must act as a proxy for Tiverton. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Mid Devon in the table below.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£74	£88	£99	£112	£89
Annual average	£3,831	£4,556	£5,137	£5,828	£4,633
Income needed	£15,323	£18,225	£20,548	£23,313	£18,532

Source: Homes England, AECOM Calculations

ii) Affordable rent

228. Affordable rent is controlled at no more than 80% of the local market rent; as we have seen, the annual entry-level rent in Tiverton is £6,608. In the event of a 20% reduction in rent to £5,286, the income threshold would reduce to an estimated **£21,146**.

iii) Intermediate tenures

229. Intermediate housing includes homes for sale and rent provided at a cost above social rent, but below market levels, subject to the criteria in the affordable housing definition above. They can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing.

Starter homes

230. The Housing and Planning Act 2016 introduced a duty on planning authorities in England to promote the supply of 'starter homes', and to require a minimum number or proportion of 'starter homes' on certain residential development sites. In paragraph 64 of the NPPF 2018, 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*".

231. In effect, therefore, the NPPF permits neighbourhood planners to decide an appropriate level of affordable home ownership tenure, while taking note of the 10% policy expectation.

232. A starter home is a new build home with a value not exceeding £250,000 (or £450,000 in London); they are eligible for first time buyers aged 40 or younger.

233. Whether to treat discounted market sale homes as affordable housing or not depends on whether lowering the asking price of new build homes of a size and type suitable to first time buyers by 20% would bring them within reach of people currently unable to access AMH for purchase.

234. To provide a conservative assessment of the suitability of discounted market sale homes, it is appropriate to apply the value we have estimated for an entry-level dwelling, namely £160,000.

235. Applying a discount of 20% provides an approximate selling price of £128,000. Allowing for a 10% deposit further reduces the value of the property to £115,200. The income threshold at a multiple of 3.5 is **£32,914**.

Shared ownership

236. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned.

237. 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 £60,000.

238. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £160,000.⁴⁸ The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to value ratio of 3.5 is used to calculate the income required to obtain a mortgage. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 25% of the income on rent (as for the income threshold for the private rental sector).

239. A 25% equity share of £160,000 is £40,000, from which a 10% deposit of £4,000 is deducted. The mortgage value of £36,000 (£40,000 - £4,000) is then divided by 3.5. To secure a mortgage of £36,000, an annual income of £10,286 (£36,000/3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £120,000. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £3,000 and requires an income of £12,000. Therefore, an income of around **£22,286** (£10,286 + £12,000) is required to afford a 25% shared equity purchase of an entry-level house with annual rent.

240. A 50% equity share of £160,000 is £80,000, from which a 10% deposit of £8,000 may be deducted. The mortgage cost of £72,000 (£80,000 - £8,000) is then divided by 3.5. To secure a mortgage of £72,000, an annual income of £20,571 (£72,000 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 50% shared ownership equity, comprising the unsold value of £80,000. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £2,000, requiring an income of £8,000. Therefore, an annual income

⁴⁸ It is important to note that this is based on new build sales only. The current shared ownership models are only available for new build homes, with the assumed cost therefore differing from the cost of open market housing, which also includes property re-sale.

of around **£28,571** ($£20,571 + £8,000$) is required to afford a 50% shared equity purchase of an entry-level house with annual rent.

241. A 75% equity share of £160,000 is £120,000, from which a 10% deposit of £12,000 can be deducted. The mortgage cost of £108,000 ($£120,000 - £12,000$) is then divided by 3.5. To secure a mortgage of £108,000, an annual income of £30,857 ($£108,000 / 3.5$) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 25% shared ownership equity, comprising the unsold value of £40,000. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,000, requiring an income of £4,000. Therefore, an annual income of around £34,857 ($£30,857 + £4,000$) is required to afford a 75% shared equity purchase of an entry-level house with annual rent.

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

Affordable Housing (NPPF Definition)

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) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

c) 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.

d) 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 methods⁴⁹.

⁴⁹ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

Age-Restricted General Market Housing

A type of housing 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 Standard⁵⁰

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 Order⁵¹

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)⁵²

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

Equity Loans/Shared Equity

⁵⁰ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

⁵¹ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁵² See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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 known as 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.

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, such as Starter Homes, the Government's flagship 'housing product'.

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms); or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between 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 years⁵³, 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

⁵³ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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. 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.

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 Housing⁵⁴

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.

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.⁵⁵

⁵⁴ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

⁵⁵ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

