

Babworth

Housing Needs Assessment (HNA)

January 2023

Quality information

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List of acronyms used in the text:

| | |
|-------|---|
| DLUHC | Department for Levelling Up, Housing and Communities (formerly MHCLG) |
| DPD | Development Plan Document |
| HEDNA | Housing and Economic Development Needs Assessment |
| HMA | Housing Market Area |
| HNA | Housing Needs Assessment |
| HRF | Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs) |
| HLIN | Housing Learning and Improvement Network |
| HMP | His Majesty's Prison |
| HRP | Household Reference Person |
| LA | Local Authority |
| LHN | Local Housing Need |
| LHNA | Local Housing Needs Assessment |
| LPA | Local Planning Authority |
| NA | Neighbourhood (Plan) Area |
| NP | Neighbourhood Plan |
| NPPF | National Planning Policy Framework |
| ONS | Office for National Statistics |
| PPG | Planning Practice Guidance |
| PRS | Private Rented Sector |
| RP | Registered Provider |
| RQ | Research Question |
| SHMA | Strategic Housing Market Assessment |
| SPD | Supplementary Planning Document |
| VOA | Valuation Office Agency |

1. Executive Summary

1. Babworth is a Neighbourhood Area located in the local authority area of Bassetlaw. The Neighbourhood Area boundary covers the areas administered by Babworth Parish Council.
2. The 2011 Census indicates a population of 1,687 for Babworth, with 596 of these individuals living in households. It is therefore assumed that the remaining 1,091 living in a communal establishment are mainly residents of HMP Ranby, with some potentially boarding at the school. This Housing Needs Assessment is focussed on the household population.
3. Based on the Office for National Statistics mid-2020 population estimates and AECOM calculations, it is estimated that the 2020 population for Babworth is 463 individuals, showing a decrease of 133 individuals since the 2011 Census. The Advisory Committee have noted that this estimated population decline is greater than reflected locally. 2021 Census data shows that there were 257 households, an increase of 14 households since 2011. This is the most accurate way of determining growth in the household population.
4. Data from the Census 2021 is being released at the local authority level throughout 2022. At present, only population and household data is available, with data on the dwelling stock expected by the end of the year. Data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.
5. There has been some development in Babworth since 2011, with Bassetlaw District Council providing completions data from 2011 to present which showed the development of 6 dwellings, none of which were delivered as Affordable Housing. The total quantity of dwellings in the NA is therefore estimated to be 267. As of 2022, Bassetlaw District Council outline that there was a planning application, at pre-application stage in 2020, for 32 dwellings in the NA.
6. This Executive Summary details the conclusions of each chapter of the report, addressing the three research questions agreed at the outset of the research.

Conclusions- Tenure and Affordability

Current dwelling stock

7. In 2011 the greatest proportion of households in Babworth owned their own home, at 62.1%, although this is below levels both across Bassetlaw and nationally. This is likely partly due to the large private rented sector in the NA. There were no shared ownership

dwellings in Babworth, and few social rented. Completion data provided by Bassetlaw District Council shows that all development in the last decade in the NA has been for market housing.

8. Between 2012 and 2020, house prices remained relatively stable, with some fluctuation. However, between 2020 and 2021 there was a significant spike in house prices. Due to the significant and uncharacteristic increase in house prices between 2020 and 2021, 2020 house prices are used in affordability calculations. Overall, between 2012 and 2021, median house prices increased by 111.9% to £550,000 whilst lower quartile house prices increased even more significantly, by 229.7% to £459,981. This is compared to a 2020 median house price of £180,050 and a lower quartile house price of £120,000, which are considered more realistic reflections of local prices.

Affordability

9. Local households on average incomes are able to access market homes. Households with two lower quartile earners may also be able to marginally afford entry-level housing. Average price market housing is likely to remain out of reach to lower quartile earners. Households made up of two lower quartile earners may be able afford the given rental thresholds for entry-level private rented housing. Notably, average priced private rented housing is less affordable in Babworth than entry-level market housing for purchase.
10. Turning to affordable home ownership, it is recommended that First Homes in Babworth are delivered at a 30% discount. This level of discount extends accessibility of homeownership to households with two lower quartile earners. No further discount is advisable in Babworth in order to ensure the viability of other affordable home ownership models and social/affordable rented dwellings. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. The income required to access Rent to Buy makes the product less affordable than First Homes and shared ownership.
11. Affordable rented housing is generally affordable to households with two lower earners. Households with a single lower earner appear able to afford social rented dwellings, with some potentially able to access smaller affordable rented dwellings.

Affordable Housing need

12. The starting point for understanding the need for affordable housing in Babworth is the Bassetlaw HEDNA. This study estimates the need for Affordable Housing in the rural sub-area, which contains the NA. When the HEDNA figures are pro-rated to Babworth, this equates to 1 home per annum for social/affordable rent or 15 homes over the Neighbourhood Plan period 2023-2038.
13. AECOM calculated the potential demand for affordable home ownership products to also be 2.8 homes per annum, or 42.0 over the Neighbourhood Plan period. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent.

14. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
15. The recommended indicative mix for Affordable Housing in this report suggests that delivery is 60% social/affordable rent and 40% affordable home ownership. When looking specifically at the split of affordable home ownership products, it is recommended that 25% of Affordable Housing is delivered as First Homes, at a 30% discount, and the remaining 15% delivered as shared ownership dwellings. Rent to Buy does not feature in this dwelling mix as it is considered the least affordable tenure locally.
16. The expected level of delivery in Babworth does not meet the quantity of demand identified in estimates of the need for affordable housing. The recommendation is that the policy requirement be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored. If the group considers exceeding the Local Plan policy requirement in the neighbourhood plan then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
17. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites, or developing community land trusts are all ways of boosting the supply of affordable housing.

Conclusions- Type and Size

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

Current dwelling stock

19. In both 2011 and 2021, semi-detached and detached dwellings were the most common dwelling types in Babworth. Bungalows were also common in 2021, at 21.9% of the stock. The proportion of terraced dwellings and flats, both of which were very low in 2011, remained similar in 2021. The NA has a significantly higher proportion of bungalows than both Bassetlaw and England. Conversely, the proportion of terraced dwellings is

significantly below the two comparator areas. The proportion of semi-detached dwellings is relatively in line with nationally, although lower than Bassetlaw, with detached dwellings the highest of all areas.

20. Turning to dwelling size, in 2011 the greatest proportion of dwellings were 3-bedroom, at almost 50% of the stock. This was followed by larger 4-bedroom dwellings at 18.1%. There were notably very few 1-bedroom dwellings. Completion data provided by Bassetlaw District Council shows there have been 6 completions in the last decade, all of which were 3-bedroom. There is a significantly smaller proportion of smaller 1-bedroom and 2-bedroom dwellings in the NA than in Bassetlaw as a whole and across England. The proportion of larger dwellings, especially the largest 5+ bedroom dwellings, is well above levels for the comparator areas.

Demographics

21. Based on AECOM calculations, in 2011, the largest proportion of the population in the NA (excluding the prison population) were aged 0-15, at 23.7% of the population, indicating that there was likely a large proportion of families in the NA. This reduces significantly by 2020, perhaps indicating families moving from the area, or that the majority of these children were towards the upper end of the bracket and a decade later are now within the 21-29 age category, which increased significantly between 2011 and 2020. The proportion of the population aged 60+ has also increased significantly, indicating an aging population.
22. Population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over expected to grow by 67% between 2011 and 2038. This would mean that households in this category would account for 36.5% of households in 2038 compared to 25.5% in 2011.
23. In 2011 there were significantly fewer single person households in the NA than both Bassetlaw and England. The proportion of family households, at 73.3% in Babworth, was well above both Bassetlaw (67.1%) and England (61.8%). Within family households, there was a greater proportion of older households in Babworth than the comparator areas, as well as a greater proportion of households with no children and with dependent children.
24. Under-occupancy is relatively common in Babworth, with 89.3% of households living in a household with at least one extra bedroom. This is most common in two household types: families aged 65+ and families under 65 with no children, suggesting that larger housing in the NA is not being occupied by households with the most family members, but by the people with the most wealth, or by older people who have not chosen or been able to move to smaller properties. This may therefore indicate a need for smaller dwellings for older persons to downsize.

Future size mix

25. AECOM modelling suggests that in order to reach a more appropriate size mix of housing by the end of the Neighbourhood Plan period, around half of housing should be delivered as 2-bedroom, with this size dwelling ideal for both downsizers and young couples looking to purchase their first home. Around one third of dwellings could be 3-bedroom although all new development (6 dwellings) in the last decade has been 3-bedroom so this is likely to have met some of the demographic need, meaning this proportion could be reduced.

The Advisory Committee noted that 1-bedroom dwellings are unpopular, despite the shortfall in the NA, and so they may wish to allocate a proportion of these to 2-bedroom dwellings. The provision of some 1-bedroom dwellings is still encouraged as smaller affordable/social rented dwellings may be required. The modelling also suggests that few larger 4+ bedroom dwellings are delivered in the NA in the plan period.

26. It may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. There may therefore be a justification to continue supplying some larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power.
27. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to 2-bedroom homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

Conclusions- Specialist Housing for Older People

28. There are no units of specialist accommodation in the NA at present.
29. Between 2020 and 2038 the proportion of the population aged 75+ is expected to grow in Babworth, increasing from 11.0% of the population to 15.9% of the population. The number of individuals expected to enter this age category is 30, estimated to be around 21 households.
30. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
31. These two methods of estimating the future need in Babworth produce a range of 8 to 9 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.
32. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-5, the majority of the need, at 62.5% is identified for specialist market housing. Slightly more need is identified for sheltered housing at 75.0% compared to 25.0% extra-care. The greatest sub-category of need was identified for market sheltered housing at 45.0% of the total need. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

33. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).
34. Emerging Local Plan policy ST31 supports the development of dwellings to accommodate specific groups such as older people. It outlines that residential market housing in Class C3 should be designed to meet national standards for accessibility and adaptability (Category M4(2)). There is no specific requirement for housing suitable for wheelchair users (Category M4(3)). The evidence gathered here would appear to justify this requirement. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.
35. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. In addition, Government is considering mandating M4(2) on newly erected dwellings¹, although changes to Building Regulations have not yet been made. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants in the district falling into this category. Pro-rating the Bassetlaw HEDNA estimate for the need for wheelchair accessible housing to the NA indicates a need for 3 dwellings in Babworth in the Neighbourhood Plan period.
36. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
37. 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 Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
38. It is considered that Babworth's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility

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

criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Babworth entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Babworth, Retford is considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself would not overlap.

39. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

2. Context

Local context

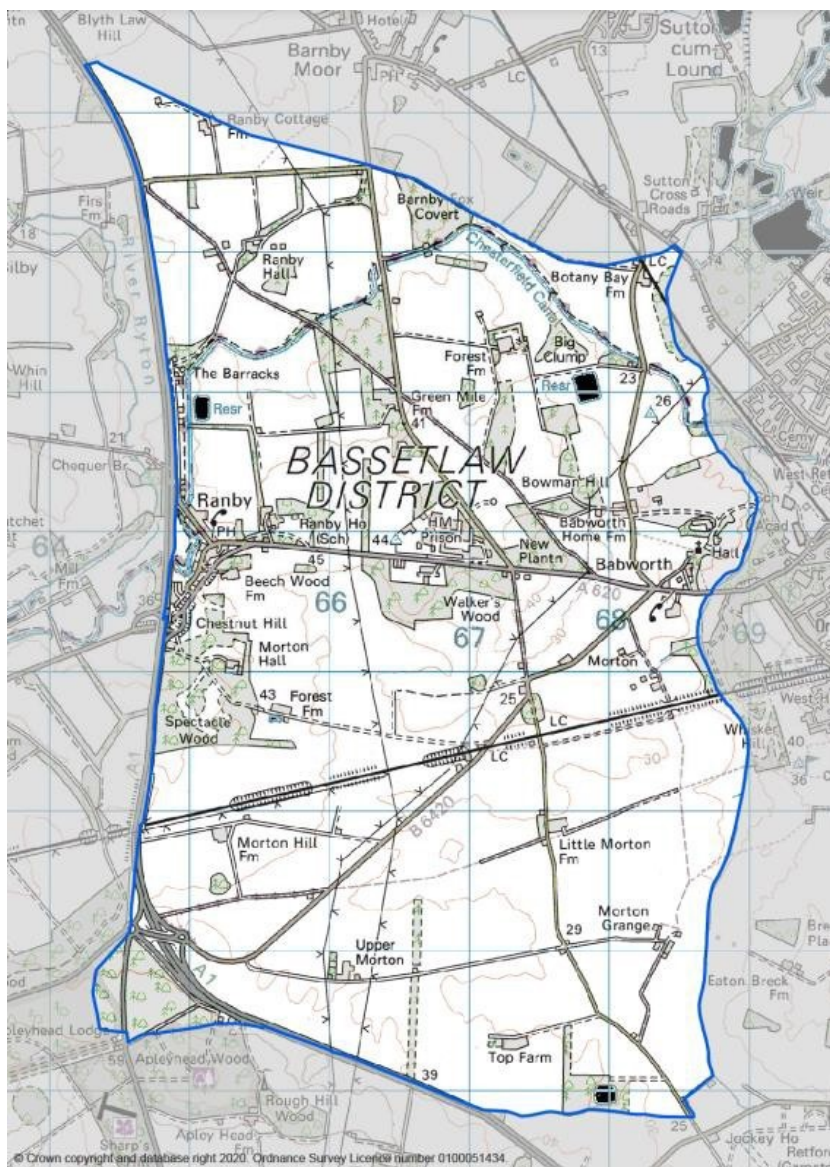
40. Babworth is a Neighbourhood Area located in Bassetlaw, East Midlands. The Neighbourhood Area (NA) boundary aligns with the parish boundary and was designated in September 2020.
41. The proposed Neighbourhood Plan period starts in 2023 and extends to 2038, therefore comprising a planning period of 15 years. The evidence supplied in this report will look forward to the Plan end date of 2038, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
42. Babworth is a parish comprised of the villages and hamlets of Babworth, Ranby, Great Morton, Little Morton, and Morton Grange, located in the East Midlands. The NA is approximately 2 miles west of the town of Retford and located between Lincoln and Sheffield, with Babworth around 33 miles north west of Lincoln and around 28 miles south east of Sheffield.
43. In terms of transport links, there are regular bus services between Babworth and Retford, with rail connections to London, Lincoln, York, Leeds, and Hull available from Retford. There are some amenities in the NA with a church, village hall, a pub, and a primary school. HMP Ranby is also located within the NA, housing roughly 1,000 male inmates at any time.
44. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units called Output Areas (OAs). These make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The Plan area equates to the following OAs, which has been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses:
 - OA E00142850; and
 - OA E00142851.
 - These are referred to as 37UCGX0001 and 37UCGX0002 in 2001.
45. The statistics show that in the 2011 Census the NA had a total of 596 residents, formed into 243 households and occupying 261 dwellings. It is estimated that an additional 1,091 individuals resided in HMP Ranby² and boarding at the school.
46. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Babworth is 1,435, including the prison population. A prison inspection in March 2022 noted 972 residents at that time. It can therefore be estimated that in 2020 there were around 463 residents of Babworth, indicating population decline of around 133 individuals since 2011. It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and

² Census 2021 data is not yet available at the parish level. This is due to be released at some point in 2023.

deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count. The Advisory Committee believe this decline to be greater than reflected locally, with this potentially in part due to the mid-2020 data and closest prison data not aligning perfectly (there may have been more residents in the prison in 2020).

47. 2021 Census data shows that there were 257 households in Babworth in 2021, an increase of 14 since 2011. This is considered a more accurate determination of change than the population estimates above.
48. Completion data provided by Bassetlaw District Council shows that since 2011 there have been 6 dwellings developed in the NA, all for market sale, with no Affordable Housing provision. This provision of housing is below the increase in households in this time.
49. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Babworth Neighbourhood Area³



³ Available at <https://www.bassetlaw.gov.uk/planning-and-building/planning-services/neighbourhood-plans/all-neighbourhood-plans/babworth-neighbourhood-plan/>

Source: *Bassetlaw District Council*

The Housing Market Area Context

50. Whilst this HNA focuses on Babworth neighbourhood area it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas. In the case of Babworth, the Bassetlaw HEDNA focusses solely on the local authority area. This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including the Sheffield City Region.
51. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Babworth, are closely linked to other areas, such as the wards outlined as within the rural sub-area in the HEDNA, outlined further in this report when calculating Affordable Housing need. In the case of Babworth, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.
52. In summary, Babworth functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Bassetlaw District Council), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

53. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁴
54. The relevant adopted Local Plan for Bassetlaw consists of the Core Strategy and the Development Management Policies Development Plan Document (DPD)⁵, adopted in December 2011. The Core Strategy identifies the amount of new housing and development up to 2028 as well as the key settlements where development will be directed. Alongside the Core Strategy sits the Affordable Housing Supplementary Planning Document (SPD)⁶, adopted in January 2014.
55. The emerging Local Plan for Bassetlaw is due to supersede the adopted Core Strategy, with the Draft Bassetlaw Local Plan⁷ covering the period 2020-2038. The Publication Version of the Local Plan along with its Second Addendum was submitted to the

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

⁵ Available at <https://www.bassetlaw.gov.uk/media/1543/cs1adoptedcorestrategy.pdf>

⁶ Available at <https://www.bassetlaw.gov.uk/media/2113/affordablehousingspd.pdf>

⁷

Secretary of State in July 2022, following a number of consultation stages and updates. Examination in Public is planned for Autumn/Winter 2022 with adoption anticipated for Summer 2023. Upon adoption, this emerging Local Plan will replace the Core Strategy and Development Management Policies DPD.

Policies in the adopted local plan

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

Table 2-1: Summary of relevant adopted policies in the Bassetlaw Core Strategy, Development Management Policies DPD, and Affordable Housing SPD

| Policy | Provisions |
|---|---|
| CS1: Settlement Hierarchy | <p>Distribution of new development will be in accordance with the aims of the settlement hierarchy – to ensure that the scale of new development is appropriate in relation to the size, function and regeneration opportunities of each tier.</p> <p>Babworth and Ranby are identified as ‘All Other Settlements’. These are rural settlements that have limited or no services and facilities or access to public transport. They are considered unsuitable for growth.</p> <p>The settlement hierarchy for Bassetlaw is as follows:</p> <ul style="list-style-type: none"> • Sub-regional Centre (Worksop) • Core Service Centre (Retford) • Main Regeneration Settlement (Harworth Bircotes) • Local Service Centres • Rural Service Centres • All Other Settlements (including Babworth and Ranby) |
| CS9: All Other Settlements | <p>Proposals for the development of housing within these settlements, other than for conversions or replacement dwellings, will not be supported.</p> <p>All housing development resulting in a net gain of one or more units will be required to contribute towards the achievement of the District's rural affordable housing targets.</p> |
| DM3: General Development in the Countryside | <p>This policy applied to any area outside a Development Boundary as well as ‘All Other Settlements’.</p> <p>Proposals for the replacement of buildings outside Development Boundaries will be supported in line with the policy.</p> |

| Policy | Provisions |
|------------------------------|---|
| | Proposals for the re-use of previously developed land outside the Settlement Boundaries will be supported, other than where the site has naturally regenerated to the extent that it is of biodiversity value. |
| DM5: Housing Mix and Density | <p>Proposals for new housing development will be expected to deliver housing of a size, type, and tenure appropriate to the site and locality.</p> <p>Proposals for new housing for the elderly, including supported and specialist accommodation, will be supported in suitable locations, in line with the role and size of settlement. The Council will support proposals for the delivery of houses meeting Lifetime Homes standards.</p> |
| Affordable Housing SPD | Rural exception sites will be expected to deliver 100% Affordable Housing in perpetuity. The housing mix and tenure split of Affordable Housing on rural exception sites will be determined by the particular local need identified in the village or local area it serves. |

Source: *Bassetlaw District Council*

Policies in the emerging local plan

57. Table 2-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Babworth.

Table 2-2: Summary of relevant emerging policies in the Bassetlaw Local Plan Publication Version (Composite)

| Policy | Provisions |
|---------------------------------|--|
| ST1: Bassetlaw Spatial Strategy | <p>Over the plan period 2020-2038, the spatial strategy will enable the provision of housing land for a minimum of 10,476 dwellings (582 new dwellings per annum).</p> <p>The settlement strategy for Bassetlaw is:</p> <ol style="list-style-type: none"> 1. Main Town (Worksop, Retford, Harworth & Bircotes); 2. Large Rural Settlements; 3. Small Rural Settlements (including Ranby); and 4. Countryside (including Babworth). <p>Small rural settlements (including Ranby) will support the delivery of 1,826 dwellings.</p> <p>Windfall sites are expected to contribute 1,200 homes.</p> |

| Policy | Provisions |
|--|---|
| ST2: Residential Growth in Rural Bassetlaw | <p>Large rural settlement and small rural settlements will experience residential growth to support their role and function.</p> <p>Ranby is required to grow by 5%, totalling a growth of 13 dwellings.</p> |
| ST29: Affordable Housing | <p>The provision of Affordable Housing will be sought from housing schemes of 10 or more units; or housing sites of 0.5ha or more; including conversions and change of use, to provide an appropriate mix of Affordable Housing.</p> <p>On brownfield sites 20% of housing will be required to be affordable, whilst 25% is required on greenfield sites.</p> <p>The tenure split of Affordable Housing is expected to be as follows:</p> <ul style="list-style-type: none"> • 25% First Homes; • 25% social rent; • 25% affordable rent; and • 25% other affordable home ownership products. <p>First Homes will be sold at a minimum discount of 30%. In all other cases, affordable home ownership dwellings will be sold at a discount of at least 20%.</p> <p>Small scale rural exception sites or First Homes exception sites will be supported adjacent to the main built-up areas of the eligible Large Rural Settlements and Small Rural Settlements.</p> |
| ST30: Housing Mix | <p>All new residential development should assist in the creation of sustainable and inclusive communities through the provision of an appropriate mix of dwellings in terms of size, type, and tenure by:</p> <ul style="list-style-type: none"> • Making efficient use of land, while respecting the character of the area; • Providing an appropriate mix and type of market housing, affordable housing, and specialist housing for older people and disabled persons, informed by the Council's most up-to-date evidence of housing need; and • Supporting proposals for the development of community-led housing schemes. <p>The Council will support proposals for self-build and custom build housing that helps meet the needs of those on the Self Build and Custom Housebuilding Register, provided they are compliant with other Local Plan policies. On housing allocations of 100 dwellings or more, 2% of the proportion of developable plots should be set aside for self-build and custom housebuilding.</p> |

| Policy | Provisions |
|--------------------------|---|
| ST31: Specialist Housing | <p>Proposals for well-designed specialist housing such as homes for older people, people with disabilities, or homes for other specific groups who may require properties will be supported in line with the policy.</p> <p>Proposals for residential market housing in Class C3 should be designed to meet the requirements for accessible and adaptable dwellings under Part M4(2) of the Building Regulations.</p> |

Source: *Bassetlaw District Council*

Quantity of housing to provide

58. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
59. Bassetlaw has fulfilled that requirement by providing Babworth with a definitive figure of 13 dwellings to be accommodated within the Neighbourhood Area (specifically in the settlement of Ranby) by the end of the Plan period⁸. This is the emerging Local Plan requirement for Ranby, the main settlement in the NA. The remaining hamlets do not have a requirement outlined. However, the Advisory Committee note that Bassetlaw District Council have confirmed that this housing requirement can be met through allocations across the parish.

⁸ As confirmed in Microsoft Teams call with group, September 2022

3. Approach

Research Questions

60. The following research questions were formulated at the outset of the research through discussion with the Babworth Neighbourhood Plan Advisory Committee. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

61. The Advisory Committee 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.
62. This evidence will allow Babworth 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 (e.g. social housing, affordable rented, shared ownership, discounted market sale, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

Type and Size

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

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

Specialist Housing for Older People

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

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

Relevant Data

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

- Census 2011 and Census 2021 (the latter only available at local authority level at present)
- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Rightmove.co.uk;
- Local Authority housing waiting list data; and
- Bassetlaw Housing and Economic Development Needs Assessment (HEDNA), November 2020⁹.

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

⁹ Available at <https://www.bassetlaw.gov.uk/media/6017/bassetlaw-hedna-nov-2020.pdf>

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

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

Introduction

70. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
71. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
72. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. The NPPF defines Affordable Housing as *'housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers; and which complies with one or more of the following definitions'*¹⁰. The full document further outlines the tenures included in this definition. Those outlined in Table 4-1 would fall under this NPPF definition of Affordable Housing.

¹⁰ Available here -

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

Table 4-1: Breakdown of Affordable Housing tenures

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

73. As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021.¹¹ Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:

¹¹ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

Current tenure profile

74. The current tenure profile is a key feature of the NA. Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
75. Table 4-2 presents data on tenure in Babworth compared with Bassetlaw and England from the 2011 Census, which is the most recent available source of this information. It shows that the greatest proportion of households in Babworth owned their own home in 2011, at 62.1%, although this is below levels both across Bassetlaw and nationally. This is likely partly due to the large private rented sector in the NA, with a significantly higher proportion of households in this category than the comparator areas. According to the Advisory Committee this is in part due to old farmworker cottages now available for private rent. It may also be due to a lack of suitable housing for sale, or affordability challenges. Notably, there were no shared ownership dwellings in Babworth, and few social rented and so those on lower incomes are likely to rely on the private rented sector. Overall, there was a distinct lack of Affordable Housing in comparison so the wider local authority area and the country.

76. Completions data provided by Bassetlaw District Council shows that all development in the last decade in the NA has been for market housing. Therefore, it is assumed that the proportion of Affordable Housing in Babworth is currently below those outlined in Table 4-2.
77. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Babworth the private rented sector expanded by just 19.6% in that period, a rate of growth that was well below local authority (112.1%) and national (82.4%) levels, indicating that much of the current private rented stock existed pre-2001. According to the Advisory Committee, the private rented stock in the NA is largely cottages linked for farms which were previously (and sometimes still) used by employees.

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

| Tenure | Babworth | Bassetlaw | England |
|------------------|----------|-----------|---------|
| Owned | 62.1% | 69.5% | 63.3% |
| Shared ownership | 0.0% | 0.4% | 0.8% |
| Social rented | 6.2% | 15.9% | 17.7% |
| Private rented | 22.6% | 12.5% | 16.8% |

Sources: Census 2011, AECOM Calculations

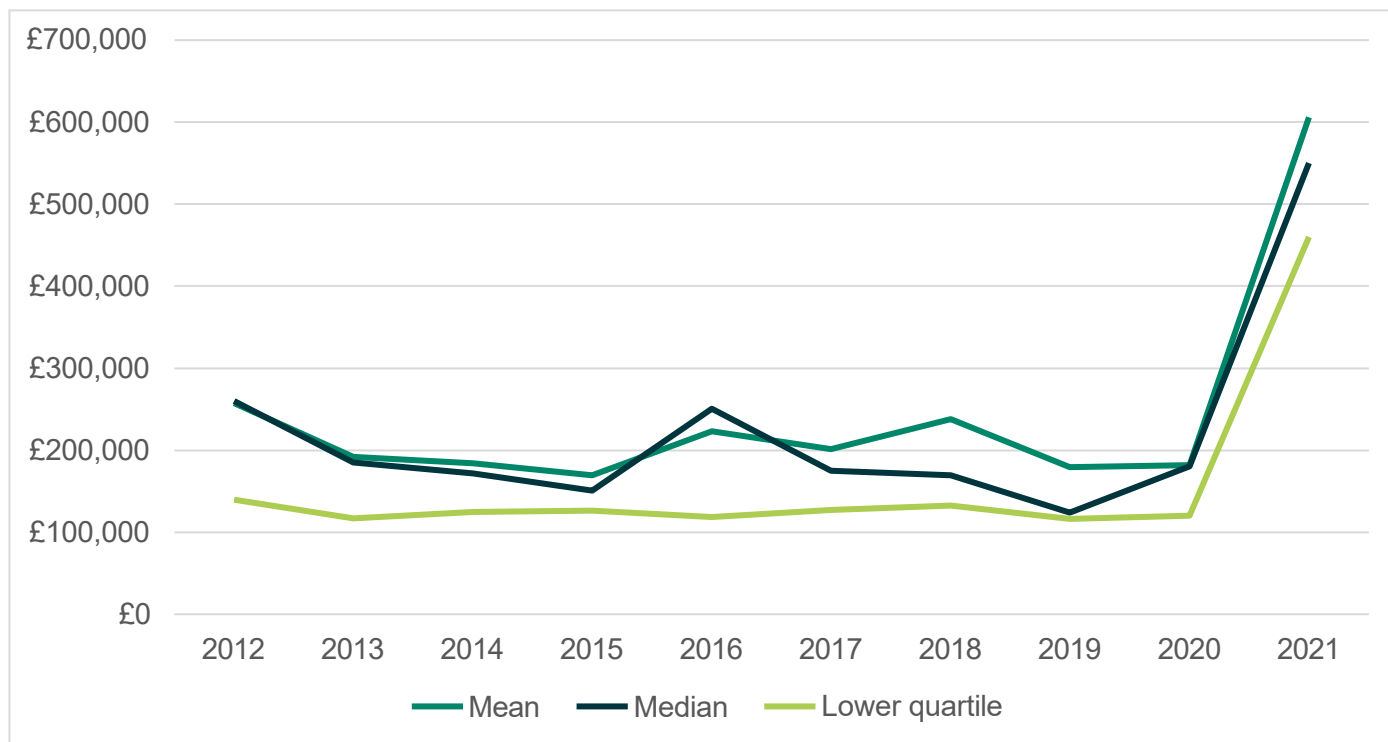
Affordability

House prices

78. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what these reveal about the local housing market.
79. Figure 4-1 looks at the average and lower quartile house prices in Babworth based on sales price data published by the Land Registry. It should be noted that the sample sizes each year for Babworth are relatively small, with 79 transactions over the period 2012-2021 (an average of 8 per year). Figure 4-1 shows that between 2012 and 2020, house prices remained relatively stable, with some year-on-year fluctuation, likely because of the small sample sizes. Lower quartile house prices were even more stable than the median. Between 2020 and 2021 there was a significant spike in house prices. This is likely to be because of a small sample size of 6 dwellings (compared to 9 in 2020), all of which were detached and semi-detached, which are usually the larger, more expensive dwellings. Due to the significant and uncharacteristic increase in house prices between 2020 and 2021, 2020 house prices have been used in the following affordability calculations as they appear to better represent the NA based on previous years.

80. Overall, between 2012 and 2021, median house prices appear to have increased by 111.9% to £550,000 whilst lower quartile house prices increased even more significantly, by 229.7% to £459,981. This is compared to a 2020 median house price of £180,050 and a lower quartile house price of £120,000.

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



Source: Land Registry PPD

81. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that on the whole, the greatest house prices were detached. However, in 2021, semi-detached house prices were the greatest, increasing by 442.7% since 2012. Terraced house prices were generally the lowest but clearly peaked in 2017 at £310,000, significantly higher than all other years, and above the detached house price for that year. Factors other than the type of housing can have an impact on house prices, with this often having more impact on small sample sizes. These can include the size of the dwelling, the location within the parish, and the condition of the property. There were no flat transactions in Babworth in the last decade.

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

| Type | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Growth |
|---------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--------|
| Detached | £392,754 | £265,000 | £250,000 | £235,000 | £310,000 | £264,000 | £340,000 | £309,000 | £225,000 | £550,000 | 40.0% |
| Semi-detached | £123,000 | £137,500 | £125,000 | £126,250 | £215,500 | £125,000 | £140,000 | £123,725 | £180,000 | £667,500 | 442.7% |
| Terraced | - | £107,725 | £147,500 | £242,500 | £100,000 | £310,000 | £106,000 | £105,000 | £120,000 | - | - |
| Flats | - | - | - | - | - | - | - | - | - | - | - |
| All Types | £259,504 | £185,000 | £171,400 | £150,750 | £250,250 | £175,000 | £169,000 | £123,725 | £180,050 | £550,000 | 111.9% |

Source: Land Registry PPD

82. Another factor worth considering is the turnover of stock, which gives an indication of the churn of properties in an area. Between 2012 and 2021, there was an average of 8 sales

a year, with the fewest in 2012 (4), and the greatest in 2014 and 2018 (11). Based on the 2011 dwelling stock of 261 properties, this average rate of annual sales indicates a turnover of 3.1% a year. Based on the 2021 stock of 267 properties, this rate is 3.0% a year. The overall number of sales for the decade of 79 dwellings indicates an overall turnover of 29.6% (based on 267 total properties). This is a relatively low turnover but is not unusual for small rural areas. Bassetlaw District Council have not provided data on the turnover of social/affordable rented stock, so this is unknown.

Income

83. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
84. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £47,200 in 2018. A map of the area to which this data applies is provided in Appendix A.
85. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Bassetlaw's gross individual lower quartile annual earnings were £15,379 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £30,758.
86. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

87. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
88. AECOM has determined thresholds for the income required in Babworth to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
89. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood

and local authority scale although different approaches are sometimes taken and a case can be made for alternatives.

90. The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
91. The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
92. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter the picture of affordability that emerges here. This is another reason to interpret the findings with a degree of flexibility.
93. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.
94. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

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

| Tenure | Mortgage value (90% of price) | Annual rent | Income required | Affordable on average incomes? £47,200 | Affordable on LQ earnings (single earner)? £15,379 | Affordable on LQ earnings (2 earners)? £30,758 |
|---|-------------------------------|-------------|-----------------|---|---|---|
| Market Housing | | | | | | |
| Median House Price (2020) | £162,045 | - | £46,299 | Yes | No | No |
| Estimated NA New Build Entry-Level House Price (2020) | £150,174 | | £42,907 | Yes | No | No |
| LQ/Entry-level House Price (2020) | £108,000 | - | £30,857 | Yes | No | Marginal |
| LA New Build Median House Price (2020) | £211,496 | - | £60,427 | No | No | No |
| Average Market Rent | - | £9,891 | £32,971 | Yes | No | No |
| Entry-level Market Rent | - | £7,950 | £26,500 | Yes | No | Yes |
| Affordable Home Ownership | | | | | | |
| First Homes (-30%) | £105,122 | - | £30,035 | Yes | No | Yes |
| First Homes (-40%) | £90,105 | - | £25,744 | Yes | No | Yes |
| First Homes (-50%) | £75,087 | - | £21,453 | Yes | No | Yes |
| Shared Ownership (50%) | £75,087 | £2,086 | £28,406 | Yes | No | Yes |
| Shared Ownership (25%) | £37,544 | £3,129 | £21,156 | Yes | No | Yes |
| Shared Ownership (10%) | £15,017 | £3,754 | £16,805 | Yes | Marginal | Yes |
| Affordable Rented Housing | | | | | | |
| Affordable Rent | - | £5,056 | £16,836 | Yes | Marginal | Yes |
| Social Rent | - | £4,603 | £15,328 | Yes | Yes | Yes |

Source: AECOM Calculations

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

Market housing for purchase and rent

96. Thinking about housing for purchase on the open market, it appears that local households on average incomes are able to access market homes. Households with two lower quartile earners may also be able to marginally afford entry-level housing. Average price market housing is likely to remain out of reach to lower quartile earners.

97. Private renting is generally only affordable to average earners. Households made up of two lower quartile earners may be able afford the given rental thresholds for entry-level private rented housing. Affordability is improved if households are able or willing to

dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

98. Notably, average priced private rented housing is less affordable in Babworth than entry-level market housing for purchase.

Affordable home ownership

99. Despite this, there is a small group of households in Babworth who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £26,500 per year (at which point entry-level rents become affordable) and £30,857 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership. However, given the gap between the affordability of renting and buying is relatively small, the potential demand for affordable home ownership products may be more limited here.
100. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
101. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It is recommended that First Homes in Babworth are delivered at a 30% discount. This level of discount extends accessibility of homeownership to households with two lower quartile earners. No further discount is advisable in Babworth in order to ensure the viability of other affordable home ownership models and social/affordable rented dwellings.
102. Table 4-5 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA, as outlined in the Appendix. It is also worth considering the discounts required for some additional price benchmarks. The table above uses the calculated NA new build entry-level house price as the best estimate for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.
103. On some of the price measures, the full market price appears affordable to households on average incomes in Babworth. However, in reality, affordability will depend on the price of new build homes, which are often more expensive on a like for like basis than those in the existing stock. If new build housing is priced at a similar level to new build homes in Bassetlaw as a whole, a discount (Table 4-5 suggests a minimum of 22%) would be needed to make them affordable to those on average incomes.

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

| House price benchmark | Mean household income | Single LQ earner | Dual LQ earning household |
|---|-----------------------|------------------|---------------------------|
| NA Median House Price (2020) | 0% | 67% | 34% |
| NA Estimated New Build Entry-Level House Price (2020) | 0% | 64% | 28% |
| NA Entry-Level House Price (2020) | 0% | 50% | N/A |
| LA Median New Build House Price (2020) | 22% | 75% | 49% |

Source: Land Registry PPD; ONS MSOA total household income

104. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.¹² If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
105. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
106. The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are more affordable options.
107. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
 - First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service

¹² The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.

- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

108. In conclusion, all of these products could provide value to different segments of the local population, with shared ownership at 10% equity share potentially allowing single lower quartile households to get a foot on the housing ladder, while Rent to Buy is helpful to those with little or no savings for a deposit, and First Homes may provide a better long-term investment to those who can afford to access it. However, it is important to caveat the analysis here given the uncertainty around new build prices in the area given the small sample size of transactions in recent years. Furthermore, the gap between the cost of renting and buying appears relatively narrow and may limit the potential size of the local market for affordable home ownership products.

Affordable rented housing

109. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). Households with a single lower earner appear able to afford social rented dwellings, with some potentially able to access smaller affordable rented dwellings. Individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.
110. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Babworth as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

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



Source: AECOM Calculations

Affordable housing- quantity needed

111. The starting point for understanding the need for affordable housing in Babworth is the relevant Housing Needs Assessment at a local authority scale. In this case the relevant document is the Bassetlaw HEDNA, undertaken in 2020. This study estimates the need for affordable housing in the district and various sub-areas, including the rural sub-area based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time. The rural sub-area includes the wards of Beckingham, Carlton, Clayworth, East Markham, Everton, Langold, Misterton, Rampton, Ranskill, Surton, Sutton (including the NA), Tuxford & Trent, and Welbeck.
112. The HEDNA identifies the net need for 60 additional affordable rented homes each year in the rural sub area as a whole. The report also identified there is no net need for affordable home ownership products (with a surplus of 21 dwellings per annum). When the HEDNA figures are pro-rated to Babworth based on its fair share of the population (1.7% of the rural sub-area's population (based on 2011 Census and excluding the prison population)), this equates to 1.0 home per annum for social/affordable rent or 15.0 homes over the Neighbourhood Plan period 2023-2038. It is worth noting that as of September 2022, there were 7 applicants on Bassetlaw District Council's Housing Register that currently reside within the NA.
113. For affordable home ownership, the HEDNA identifies a net surplus. It is important to note that the HEDNA calculates the net need for affordable home ownership dwellings based on the assumption that around half of the market lower quartile homes in the area would be available to meet the needs of households in the 'can rent, can't buy' cohort. Some properties priced below the lower quartile level may be affordable to some households who need affordable home ownership. However, AECOM expect that the extent of this is limited for the following reasons:
- a) The majority of these households have insufficient deposits and deposit requirements are not reduced substantially enough at the cheaper end of the market;
 - b) Properties priced below lower quartile levels tend to be smaller and will not be suitable for all households (e.g. families); and
 - c) The lowest priced properties may be in poor condition and/or requiring substantial investment to ensure they are habitable.
114. Due to the assumptions used to calculate affordable home ownership demand in the HEDNA, AECOM calculates an alternative estimate, specific to Babworth, in Table 4-6. This model aims to estimate the number of households that might wish to own their own home but cannot afford to – the 'can rent, can't buy' group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

115. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership¹³. No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
116. The result of the calculation is 2.8 households per annum who may be interested in affordable home ownership (or 42.0 for the entirety of the Plan period). Ordinarily, this assumes a rate of turnover in the existing stock will satisfy some need, although there is no current stock of shared ownership currently in the NA.
117. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

¹³ <http://www.ipsos-mori-generations.com/housing.html>

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

| Stage and Step in Calculation | Total | Description |
|---|-------------|---|
| STAGE 1: CURRENT NEED | | |
| 1.1 Current number of renters in parish | 67.0 | Census 2011 number of renters x national % increase to 2018. |
| 1.2 Percentage renters on housing benefit in LA | 24.4% | % of renters in 2018 on housing benefit. |
| 1.3 Number of renters on housing benefits in parish | 16.4 | Step 1.1 x Step 1.2. |
| 1.4 Current need (households) | 38.0 | Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ¹⁴ |
| 1.5 Per annum | 2.5 | Step 1.4 divided by plan period. |
| STAGE 2: NEWLY ARISING NEED | | |
| 2.1 New household formation | 27.3 | LA household projections for plan period (2018 based) pro rated to NA. |
| 2.2 % of households unable to buy but able to rent | 14.4% | (Step 1.4 + Step 3.1) divided by number of households in NA. |
| 2.3 Total newly arising need | 3.9 | Step 2.1 x Step 2.2. |
| 2.4 Total newly arising need per annum | 0.3 | Step 2.3 divided by plan period. |
| STAGE 3: SUPPLY OF AFFORDABLE HOUSING | | |
| 3.1 Supply of affordable housing | 0 | Number of shared ownership homes in parish (Census 2011 + LA new build to 2018/19 pro rated to NA). |
| 3.2 Supply - intermediate resales | 0 | Step 3.1 x 5% (assumed rate of re-sale). |
| NET SHORTFALL PER ANNUM | | |
| Overall shortfall per annum | 2.8 | (Step 1.5 + Step 2.4) - Step 3.2. |
| Overall shortfall over the plan period | 42.0 | (Step 1.4 + Step 2.3) – Step 3.2 * number of years until end of plan period |

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

118. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that

¹⁴ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

119. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.
120. Community opinion is important to consider, with the Advisory Committee undertaking a consultation event on the 16th July 2022. Whilst the results from this are less conclusive than a survey, with a small proportion of the population in attendance (42 individuals), it does provide some insight. When looking at housing specifically, there was mixed opinion, with some attendees noting the need for Affordable Housing, bungalows, and family homes, others were concerned around the impact on and suitability of infrastructure for new development.

Additional HEDNA findings

121. The Bassetlaw HEDNA outlines the following key points relevant to tenure and affordability in Babworth:
- Lower quartile rents across Bassetlaw in 2020 were approximately £450 per month. These were greatest in the rural sub-area at £520 per month. Lower quartile rents for England in this time were £550. These figures are below lower quartile rents for the NA specifically, which are estimated to be £663.
 - The report advises that the Council does not have a rigid policy for the split between social and affordable rented housing.

Affordable Housing policy guidance

122. Bassetlaw's emerging policy on this subject, Policy ST29, requires 20% of all new housing on brownfield land to be affordable and 25% on greenfield land. For the purposes of this report, it is assumed that future development in Babworth will mainly be on greenfield sites so the figure of 25% is used. Given that Affordable Housing made up none of the new housing in Babworth in the last decade according to Bassetlaw completions figures, it is understood that sites are usually below the threshold of 10 dwellings, above which the Affordable Housing requirement applies.
123. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasising that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.
124. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures, such as the balance between rented tenures and routes to home ownership. The emerging

Bassetlaw Local Plan specifies that 25% of Affordable Housing should be delivered as First Homes, 25% social rented housing, 25% affordable rented housing, and the remaining 25% for other models of affordable home ownership. This HNA can supply more localised evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Babworth specifically.

125. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:

- A. **Evidence of need for Affordable Housing:** This study estimates that Babworth requires roughly 15 units of affordable rented housing and 42 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes, although this level of delivery is not likely to be possible in Babworth, as discussed in B.

The relationship between these figures suggests that 26% of Affordable Housing should be rented and 74% should offer a route to ownership. However, as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.

If the quantity of new housing overall were unlimited, a 26/74 split may be an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.

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

If the Local Plan target of 25% were achieved on every site, up to around 3.3 affordable homes might be expected in the NA, based on the assumption that the housing requirement of 13 dwellings is delivered on one site. As the majority of Babworth's HRF in the past has come forward in the form of small infill developments, this may be the case in the future. These schemes are unlikely to be large enough to meet the threshold of 10 dwellings, above which the Affordable Housing policy applies. If that is the case, the potential delivery of Affordable Housing is likely to be lower still. This is not sufficient to satisfy the total potential demand for Affordable Housing identified here.

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

It should also be noted that it is not a requirement that Babworth meets all the need identified in this Housing Needs Assessment. The figures aim to give an indication of the need for social/affordable rented housing and the demand for affordable home ownership products so that the Advisory Committee can inform their policies.

- C. **Government policy (e.g. NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in Bassetlaw, where 25% of all housing should be affordable, 40% of Affordable Housing should be for affordable ownership. This does comply with the guideline tenure split sought in the Local Plan.

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

- D. **Local Plan policy:** As noted above, the emerging Local Plan seeks a tenure split of 25% First Homes, 25% social rented housing, 25% affordable rented housing, and the remaining 25% for other models of affordable home ownership.

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

This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. The emerging Local Plan for Bassetlaw outlines that 25% of Affordable Housing should be delivered as First Homes.

National policy dictates that after the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the relevant Local Plan, with any remaining units allocated to other tenure products in the relative proportions set out in the Local Plan.

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

- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.

G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.

H. **Existing tenure mix in Babworth:** Completion data provided by Bassetlaw District Council indicates that all development that has taken place since the 2011 Census (6 dwellings) has been for private market homes. Therefore, it is expected that the proportion of owner occupation, and potentially private rental, has increased since 2011 and Table 4-2.

The Council also outlined the current council stock of Affordable Housing, totaling 9 dwellings. Three of these are houses for those under 60, with the remaining 6 senior citizen bungalows. This stock of 9 dwellings is below the 15 households socially renting in 2011 according to the Census. This could be due to the loss of stock through demolitions or schemes such as Right to Buy. Alternatively, the remaining stock in the NA may be owned by Registered Providers (RPs) as opposed to the Council. There were no shared ownership dwellings in 2011 and this is not thought to have increased in the last decade.

This suggests that some provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.

I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.

J. **Wider policy objectives:** the neighbourhood planning group may wish to take account of broader policy objectives for Babworth and/or the wider district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.

126. On the basis of the considerations above, Table 4-7 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

127. This indicative mix diverges slightly from the emerging Local Plan split of 50/50 affordable rented and affordable home ownership, although still complies with the minimum requirements mandated nationally. It is chiefly a response to the expectation that the delivery of Affordable Housing will be significantly lower than the needs identified here. In this context, affordable rented tenures should be prioritised. However, it is also noted that there is currently no provision of affordable home ownership dwellings in the NA, despite demand identified.

AECOM therefore suggest a mix of 60% social/affordable rent and 40% affordable home ownership.

When looking specifically at the split of affordable home ownership products, it is recommended that 25% of Affordable Housing is delivered as First Homes, in line with both national requirements and the emerging Bassetlaw Local Plan. It is suggested that these should be delivered at a 30% discount as this extends home ownership accessibility to households with two lower quartile earners, whilst also helping to ensure financial viability of other products. It is recommended that the remaining 15% are delivered as shared ownership dwellings. Delivery at 10% equity may make the product marginally accessible to households with one lower quartile earner, although savings for a deposit may be challenging here. Rent to Buy does not feature in this dwelling mix as it is considered the least affordable tenure locally.

128. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
129. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Bassetlaw to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
130. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

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

| Tenure | Indicative mix | Considerations and uncertainties |
|--|-----------------------------------|--|
| Routes to home ownership, of which | 40% | |
| First Homes | 25% | Product untested so uncertainties around viability, developer, lenders and buyer appetite etc. |
| Shared ownership | 15% | Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown. |
| Rent to Buy | 0% | Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown. |
| Affordable Housing for rent, of which | 60% | |
| Social rent | To be set by Registered Providers | Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area. |
| Affordable rent | To be set by Registered Providers | Uncertain whether RPs willing to own/manage stock in this area. |

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current dwelling stock

131. In 2011 the greatest proportion of households in Babworth owned their own home, at 62.1%, although this is below levels both across Bassetlaw and nationally. This is likely partly due to the large private rented sector in the NA. There were no shared ownership dwellings in Babworth, and few social rented. Completion data provided by Bassetlaw District Council shows that all development in the last decade in the NA has been for market housing.
132. Between 2012 and 2020, house prices remained relatively stable, with some fluctuation. However, between 2020 and 2021 there was a significant spike in house prices. Due to the significant and uncharacteristic increase in house prices between 2020 and 2021, 2020 house prices are used in affordability calculations. Overall, between 2012 and 2021, median house prices increased by 111.9% to £550,000 whilst lower quartile house prices increased even more significantly, by 229.7% to £459,981. This is compared to a 2020 median house

price of £180,050 and a lower quartile house price of £120,000, which are considered more appropriate reflections of local prices.

Affordability

133. Local households on average incomes are able to access market homes. Households with two lower quartile earners may also be able to marginally afford entry-level housing. Average price market housing is likely to remain out of reach to lower quartile earners. Households made up of two lower quartile earners may be able afford the given rental thresholds for entry-level private rented housing. Notably, average priced private rented housing is less affordable in Babworth than entry-level market housing for purchase.
134. Turning to affordable home ownership, it is recommended that First Homes in Babworth are delivered at a 30% discount. This level of discount extends accessibility of homeownership to households with two lower quartile earners. No further discount is advisable in Babworth in order to ensure the viability of other affordable home ownership models and social/affordable rented dwellings. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. The income required to access Rent to Buy makes the product less affordable than First Homes and shared ownership.
135. Affordable rented housing is generally affordable to households with two lower earners. Households with a single lower earner appear able to afford social rented dwellings, with some potentially able to access smaller affordable rented dwellings.

Affordable Housing need

136. The starting point for understanding the need for affordable housing in Babworth is the Bassetlaw HEDNA. This study estimates the need for Affordable Housing in the rural sub-area, which contains the NA. When the HEDNA figures are pro-rated to Babworth, this equates to 1 home per annum for social/affordable rent or 15 homes over the Neighbourhood Plan period 2023-2038.
137. AECOM calculated the potential demand for affordable home ownership products to also be 2.8 homes per annum, or 42.0 over the Neighbourhood Plan period. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent.
138. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
139. The recommended indicative mix for Affordable Housing in this report suggests that delivery is 60% social/affordable rent and 40% affordable home ownership.

When looking specifically at the split of affordable home ownership products, it is recommended that 25% of Affordable Housing is delivered as First Homes, at a 30% discount, and the remaining 15% delivered as shared ownership dwellings. Rent to Buy does not feature in this dwelling mix as it is considered the least affordable tenure locally.

140. Table 4-8 summarises Babworth's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.
141. In places where limited new housing development is planned, this exercise results in very small numbers of different forms of affordable housing. It is important to recognise that this may result in practical delivery challenges. Nevertheless, it is considered a useful illustration of what is likely to be achieved under the application of planning policies.

Table 4-8: Estimated delivery of Affordable Housing in Babworth

| | Step in Estimation | Expected delivery |
|---|---|--------------------------|
| A | Provisional capacity figure | 13 |
| B | Affordable housing quota (%) in LPA's Local Plan | 25% |
| C | Potential total Affordable Housing in NA (A x B) | 3.3 |
| D | Rented % (e.g. social/ affordable rented) | 60% |
| E | Rented number (C x D) | 2.0 |
| F | Affordable home ownership % (e.g. First Homes, Rent to Buy) | 40% |
| G | Affordable home ownership number (C x F) | 1.3 |

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

142. This expected level of delivery does not meet the quantity of demand identified in estimates of the need for affordable housing. The recommendation is that the policy requirement be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored. If the group considers exceeding the Local Plan policy requirement

in the neighbourhood plan then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.

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

5. RQ 3: Type and Size

RQ 3: What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

Introduction

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

Existing types and sizes

Background and definitions

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

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

150. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. For some aspects, such as the size mix of homes, adding together Census figures and completions data for the intervening period is highly accurate. For others, such as the type mix of homes, this method is not available and Valuation Office Agency (VOA) must be used. It should be noted that VOA data is available at LSOA level at the smallest scale, meaning that the VOA data for Babworth covers a slightly larger areas, hence the use of percentages as opposed to raw figures. This is considered a reasonable proxy for the NA.

Dwelling type

151. Table 5-1 shows the breakdown of accommodation types in the NA in both 2011 and 2021. The changes during in this time period unfortunately cannot be fully reconciled as the Census counts bungalows within each of the other categories rather than independently.
152. Almost 90% of the stock in Babworth is semi-detached or detached housing (in 2011). The up to date VOA data for 2021 separates out bungalows and suggests these make up almost 22% of the stock. When combined with semis and detached houses, these three types continued to account for around 90% of the dwelling stock. The proportion of terraced dwellings and flats, both of which were very low in 2011, remained very similar in 2021.

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

| Dwelling type | 2011 (Census) | 2021 (VOA) |
|---------------|---------------|------------|
| Bungalow | - | 21.9% |
| Flat | 2.3% | 2.1% |
| Terrace | 8.0% | 8.3% |
| Semi-detached | 45.6% | 21.9% |
| Detached | 44.1% | 35.4% |
| Unknown/other | - | 10.4% |

Source: ONS 2011, VOA 2021, AECOM Calculations

153. It is useful to compare the housing types in Babworth to the wider local authority and the country. Table 5-2 shows that the NA has a significantly higher proportion of bungalows than both Bassetlaw and England. Conversely, the proportion of terraced dwellings, which are often smaller and more affordable, is significantly below the two comparator areas. The proportion of semi-detached dwellings is relatively in line with the national average, although lower than Bassetlaw, with detached dwellings the highest of all areas. Interestingly,

the proportion of unknown dwelling types is much higher for the NA than the comparator areas, having knock on impacts on other categories.

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

| Dwelling type | Babworth | Bassetlaw | England |
|---------------|----------|-----------|---------|
| Bungalow | 21.9% | 14.2% | 9.2% |
| Flat | 2.1% | 7.4% | 23.7% |
| Terrace | 8.3% | 17.8% | 26.1% |
| Semi-detached | 21.9% | 33.7% | 23.7% |
| Detached | 35.4% | 24.4% | 15.8% |
| Unknown/other | 10.4% | 2.5% | 1.4% |

Source: VOA 2021, AECOM Calculations

Dwelling size

154. Turning to dwelling size, in 2011 the greatest proportion of dwellings were 3-bedroom, at almost 50% of the stock. This was followed by larger 4-bedroom dwellings at 18.1%. There were notably very few 1-bedroom dwellings. Completion data provided by Bassetlaw District Council indicate that there have been just 6 completions in the last decade in Babworth, all of which were 3-bedroom. This has had the effect of further increasing the dominance of 3-bedroom mid-sized dwellings in the NA.

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

| Number of bedrooms | 2011 (Census) | Completions 2011-2021 (Bassetlaw) | 2021 total (Census + completions) | |
|--------------------|---------------|---|--------------------------------------|-------|
| 1 | 3.3% | 0 | 8 | 3.2% |
| 2 | 15.6% | 0 | 38 | 15.3% |
| 3 | 49.8% | 6 | 127 | 51.0% |
| 4 | 18.1% | 0 | 44 | 17.7% |
| 5+ | 13.2% | 0 | 32 | 12.9% |
| Total | - | 6 | 249 | - |

Source: ONS 2011, VOA 2021, AECOM Calculations

155. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 shows that there is a significantly smaller proportion of smaller 1-bedroom and 2-bedroom dwellings in the NA than in Bassetlaw as a whole and across England. This will likely present challenges for both first time buyers and older persons looking to downsize. The proportion of mid-sized 3-bedroom homes is in line with the wider district, but above national levels. The proportion of larger dwellings, especially the largest 5+ bedroom dwellings, is well above levels for Bassetlaw and England, indicating a higher proportion of executive homes.

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

| Number of bedrooms | Babworth (Census + completions) | Bassetlaw (VOA) | England (VOA) |
|--------------------|---------------------------------|-----------------|---------------|
| 1 | 3.2% | 6.9% | 12.6% |
| 2 | 15.3% | 23.2% | 28.4% |
| 3 | 51.0% | 51.2% | 43.0% |
| 4 | 17.7% | 14.9% | 12.1% |
| 5+ | 12.9% | 3.5% | 3.3% |

Source: VOA 2021, AECOM Calculations

Age and household composition

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

Age structure

157. The age structure of Babworth in both 2011 and brought up to date to mid-2020 is complex to determine due to HMP Ranby's population being included in Census and ONS data. To best determine the 2011 resident population of the NA, the prison population age split from a March 2012 inspection¹⁵ was deducted from the overall 2011 population of the NA. Table 5-5 shows the calculated age split in 2011 for the resident population (middle column) as well as the overall population including the prison population (left column). Alongside this is the estimated mid-2020 population. This is calculated in a similar way, using mid-2020 parish estimates with the population structure from a 2022 prison inspection¹⁶ deducted.

158. It should be noted that the mid-2020 population projections include the prison population in their estimates. It is however unlikely that they consider this as being a communal facility and so do not take into account the fact that the prison population will remain predominantly within the 21-49 age bracket (93.8% in 2012 and 91.2% in 2022) as opposed to aging in the way the household population would. The population projections may therefore exaggerate the aging of the population locally as the majority of those aged 21-49 in the NA in 2011 were housed in the prison and are likely to have moved on and been replaced by similarly aged inmates as opposed to simply aging as the household population would. Despite this, this is the most accurate way of determining the current population structure of the NA before the 2021 Census is released at a parish level, which is not expected until Spring 2023.

159. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms

¹⁵ Available at <https://www.justiceinspectorates.gov.uk/prisons/wp-content/uploads/sites/4/2014/03/ranby-2012.pdf>

¹⁶ Available at <https://www.justiceinspectorates.gov.uk/hmiprison/wp-content/uploads/sites/4/2022/07/220321-Ranby-pop-stats-no-names.pdf>

the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

160. Table 5-5 shows that in 2011, the largest proportion of the population were aged 0-15, at 23.7% of the population, indicating that there was likely a large proportion of families in the NA. This reduces significantly by 2020, perhaps indicating families moving from the area, or that the majority of these children were towards the upper end of the bracket and a decade later are now within the 21-29 age category, which increased significantly between 2011 and 2020. The proportion of the population aged 60+ has also increased significantly, indicating an aging population. Although, as discussed above, this may be in part due to ONS population projections, it is also likely that the population has experienced an increase in the older population in the last decade.

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

| Age group | 2011 (Census, including prison population) | 2011 (Census, estimated) ¹⁷ | 2020 (ONS, estimated) |
|-----------|--|--|-----------------------|
| 0-15 | 8.5% | 23.7% | 16.4% |
| 16-20 | 2.3% | 6.5% | 4.1% |
| 21-29 | 31.5% | 3.2% | 10.2% |
| 30-39 | 22.3% | 5.6% | 0.0% |
| 40-49 | 16.1% | 17.9% | 10.6% |
| 50-59 | 10.0% | 19.7% | 20.7% |
| 60-69 | 5.9% | 14.1% | 21.2% |
| 70+ | 3.6% | 9.3% | 19.2% |

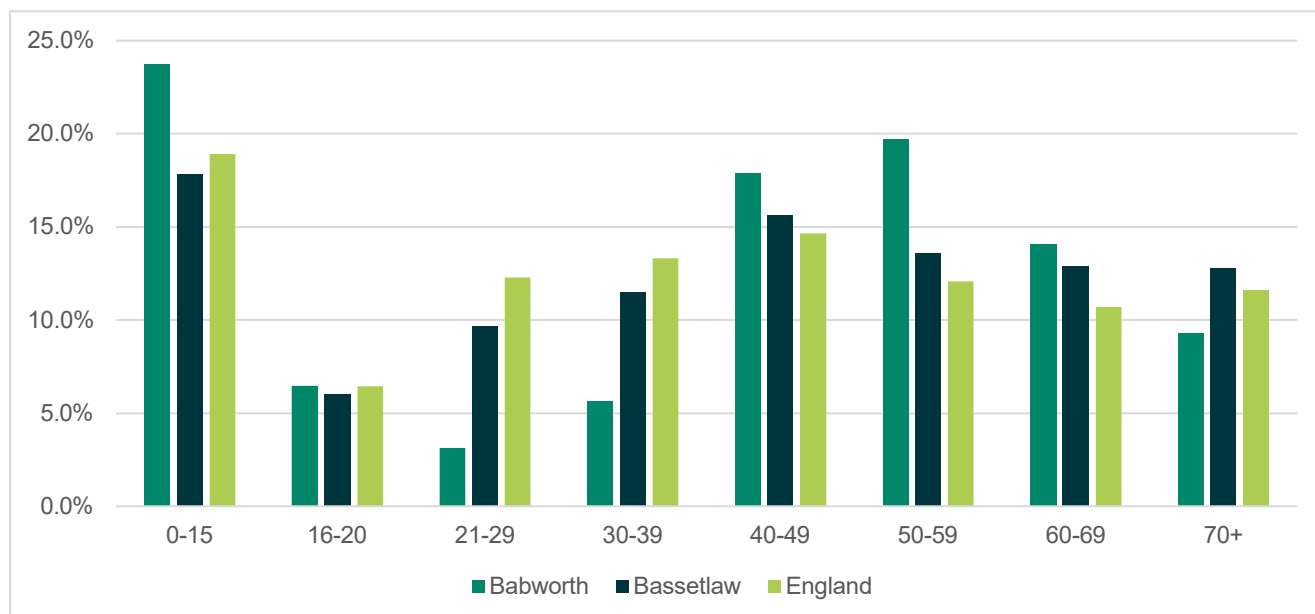
Source: ONS 2011, ONS mid-2020 population estimates, AECOM Calculations

161. 2021 Census data has begun to be released, with current information limited to population statistics at national and local authority level. It is currently not expected that this data at a parish level will be released until Spring 2023. However, the local authority level data can provide some insight into how Babworth has changed over the last decade. The mid-2020 population estimates for Babworth show that the population in the NA is expected to have fallen by around 22.3% between 2011 and 2020 whilst 2021 Census data shows that the Bassetlaw population grew by 4.4% between 2011 and 2021. This indicates that the population of Babworth is projected to decline whilst the local authority as a whole has grown slightly, indicating that individuals are moving out of the NA.
162. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2011 Census data) shows that in 2011, the proportion of children in the NA was well above district and national levels. However, the proportion aged 21-29 and 30-39 was well below that of

¹⁷ Estimated NA population after removing prison population from 2011 Census

the comparator areas. This may indicate a lack of suitable or affordable housing for young couples and families or first time buyers. When looking at the older population, the NA had the greatest proportion of the population aged 50-69, but the smallest proportion of the population aged 70+. However, with natural aging in the last decade, it is likely that a significant proportion of those in the other categories are now aged 65+.

Figure 5-1: Age structure in Babworth, 2011



Source: ONS 2011, AECOM Calculations

Household composition

163. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-6 shows that there were significantly fewer single person households in the NA than both Bassetlaw and England. Therefore, the proportion of family households (with and without children), at 73.3% in Babworth, was well above both Bassetlaw (67.1%) and England (61.8%). Within family households, there was a greater proportion of older households in Babworth than the comparator areas, potentially indicating a demand for older persons housing. Because of the greater proportion of family households generally, there was a greater proportion of households with no children and with dependent children than the district and England. Within Babworth, the greatest proportion of the population were family households with dependent children, at 30.0%, consistent with the high proportion of children identified in 2011 in Table 5-5.

Table 5-6: Household composition, Babworth, 2011

| Household composition | | Babworth | Bassetlaw | England |
|-----------------------|---|--------------|--------------|--------------|
| One person household | Total | 21.0% | 28.0% | 30.2% |
| | Aged 65 and over | 8.6% | 13.0% | 12.4% |
| | Other | 12.3% | 15.1% | 17.9% |
| One family only | Total | 73.3% | 67.1% | 61.8% |
| | All aged 65 and over | 11.5% | 9.8% | 8.1% |
| | With no children | 25.1% | 21.2% | 17.6% |
| | With dependent children | 30.0% | 26.2% | 26.5% |
| | With non-dependent children ¹⁸ | 6.6% | 9.9% | 9.6% |
| Other household types | Total | 5.8% | 4.8% | 8.0% |

Source: ONS 2011, AECOM Calculations

Occupancy ratings

164. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
165. Under-occupancy is relatively common in Babworth, with 89.3% of households living in a household with at least one extra bedroom. This is most common in two household types: families aged 65+ (100% of households) and families under 65 with no children (95.1%). This suggests that the larger housing in the NA is not being occupied by households with the most family members, but by the people with the most wealth, or by older people who have not chosen or been able to move to smaller properties. This may therefore indicate potential demand for dwellings suitable for older persons to downsize or find more appropriate (including accessible/adaptable housing) in later life. There is also some over-occupancy in Babworth, solely in family households with dependent children, with approximately 1.4% of households living in a dwelling too small for their needs.

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

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

| Household type | +2 rating | +1 rating | 0 rating | -1 rating |
|--------------------------------------|-----------|-----------|----------|-----------|
| Family 65+ | 75.0% | 25.0% | 0.0% | 0.0% |
| Single person 65+ | 52.4% | 33.3% | 14.3% | 0.0% |
| Family under 65 - no children | 73.8% | 21.3% | 4.9% | 0.0% |
| Family under 65 - dependent children | 35.6% | 49.3% | 13.7% | 1.4% |
| Family under 65 - adult children | 37.5% | 43.8% | 18.8% | 0.0% |
| Single person under 65 | 73.3% | 20.0% | 6.7% | 0.0% |
| All households | 56.0% | 33.3% | 9.9% | 0.8% |

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

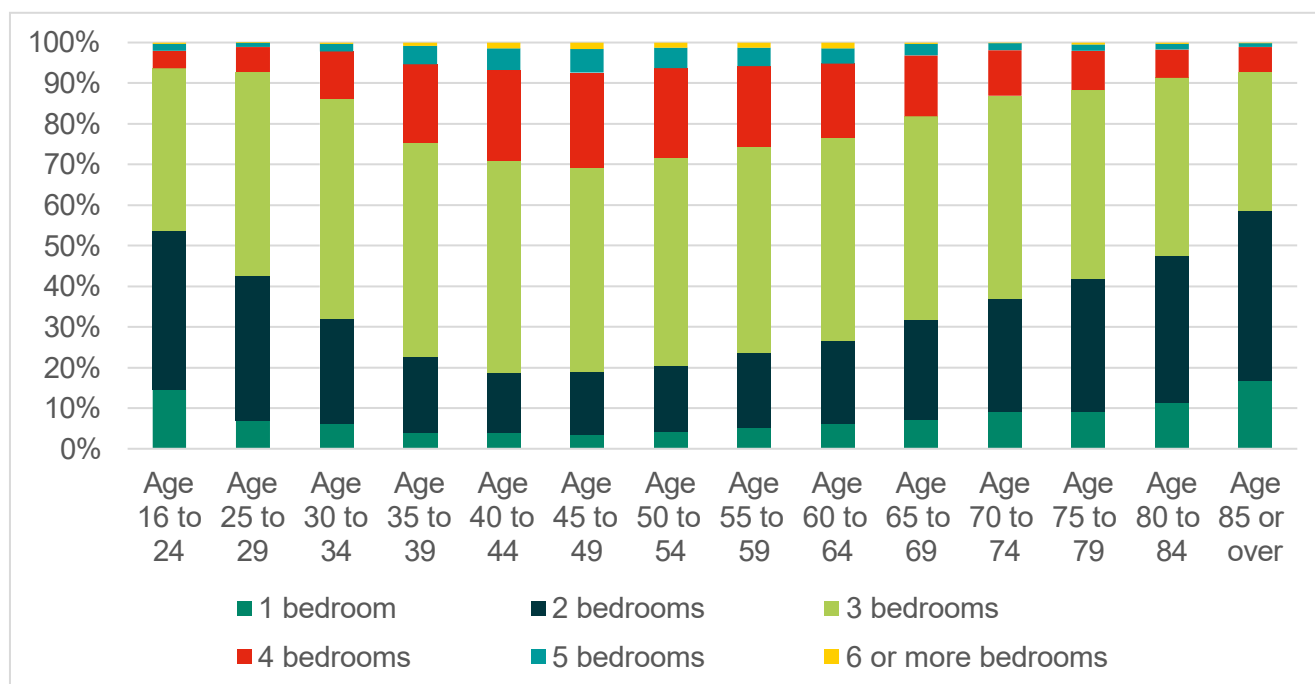
Suggested future dwelling size mix

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

- The starting point is the age distribution of Babworth households in 2011.
 - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
 - As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
 - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.
- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
 - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.

- The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
 - Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
 - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.
167. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.
168. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is considered entirely appropriate for the purpose of drafting neighbourhood plan policy.
169. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
170. The first, given as Figure 5-2, sets out the relationship between household life stage and dwelling size for Bassetlaw in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

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



Source: ONS 2011, AECOM Calculations

171. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Babworth households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-8 makes clear that population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over expected to grow by 67% between 2011 and 2038. This would mean that households in this category would account for 36.5% of households in 2038 compared to 25.5% in 2011. There is also a slight expected increase in households with a household reference person aged 55-64 and 25-34, at 7% and 6% respectively, whilst the remaining categories experience a decline.

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

| 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 | 3 | 21 | 110 | 47 | 62 |
| 2038 | 3 | 22 | 106 | 50 | 104 |
| % change 2011-2038 | -8% | 6% | -4% | 7% | 67% |

Source: AECOM Calculations

172. The final result of this exercise is presented in Table 5-9. The model suggests that between 2011 and 2038, the greatest proportion of dwellings should remain 3-bedroom. However, the modelling suggests the indicative mix has a significantly greater proportion of 2-bedroom dwellings, as well as an increase in the smallest 1-bedroom dwellings. The modelling suggests the need for a slight decrease in the proportion of 4-bedroom dwellings, and significantly so

for the largest dwellings.

173. In order to reach the indicative mix by the end of the plan period, it is suggested that the majority (almost half) of housing is delivered as 2-bedroom, with this size dwelling ideal for both downsizers and young couples looking to purchase their first home. There is also currently a significant lack of this dwelling type in the NA compared to the comparator areas. It is suggested that around one third of dwellings are delivered as 3-bedroom although all new development (6 dwellings) in the last decade has been 3-bedroom, meaning that the Advisory Committee may wish to reduce the proportion of this dwelling type in their policies. The Advisory Committee also noted that 1-bedroom dwellings are unpopular, despite the shortfall in the NA, and so they may wish to allocate a proportion of these to 2-bedroom dwellings. The provision of some 1-bedroom dwellings is still encouraged as the mix in Table 5-9 is for both market and affordable housing, and smaller affordable/social rented dwellings may be required. The modelling suggests that few larger 4+ bedroom dwellings are delivered in the NA in the plan period on the basis of demographic needs.

Table 5-9: Suggested dwelling size mix to 2038, Babworth

| Number of bedrooms | Current mix (2011) | Indicative mix (2038) | Balance of new housing to reach indicative mix |
|--------------------|--------------------|-----------------------|--|
| 1 bedroom | 3.3% | 6.7% | 18.1% |
| 2 bedrooms | 15.6% | 23.5% | 47.1% |
| 3 bedrooms | 49.8% | 49.3% | 31.7% |
| 4 bedrooms | 18.1% | 16.1% | 3.1% |
| 5 or more bedrooms | 13.2% | 4.4% | 0.0% |

Source: AECOM Calculations

174. It is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.
175. To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.
176. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. Reducing the issue of dwelling size to a number of bedrooms is potentially

unhelpful in this case. There may be a strong justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power.

177. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to 2-bedroom dwellings but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

The HEDNA findings

178. The Bassetlaw HEDNA outlines the following key points relevant to the type and size of housing in Babworth:

- Analysis suggests that most 2-bedroom homes in Bassetlaw should be built as houses (or bungalows) as opposed to flats.
- Figure 5-3, taken from the Bassetlaw HEDNA, represents an appropriate mix of market and affordable homes across the district. This cannot be directly compared with AECOM's suggested size mix for Babworth specifically due to it being for all tenures and based on more localised data but could be useful when determining the size mix for Affordable Housing.

Figure 5-3: Suggested size mix for Bassetlaw, taken from Bassetlaw HEDNA

| | 1-bedroom | 2-bedrooms | 3-bedrooms | 4+bedrooms |
|-----------------------------|-----------|------------|------------|------------|
| Market | Up to 10% | 20-30% | 45-55% | 15-25% |
| Affordable home ownership | 10-20% | 35-45% | 30-40% | 5-15% |
| Affordable housing (rented) | 25-30% | 35-45% | 20-30% | Up to 10% |

Source: Bassetlaw HEDNA

Conclusions- Type and Size

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

Current dwelling stock

180. In both 2011 and 2021, semi-detached and detached dwellings were the most common dwelling types in Babworth. Bungalows were also common in 2021, at 21.9% of the stock. The proportion of terraced dwellings and flats, both of which

were very low in 2011, remained similar in 2021. The NA has a significantly higher proportion of bungalows than both Bassetlaw and England. Conversely, the proportion of terraced dwellings is significantly below the two comparator areas. The proportion of semi-detached dwellings is relatively in line with nationally, although lower than Bassetlaw, with detached dwellings the highest of all areas.

181. Turning to dwelling size, in 2011 the greatest proportion of dwellings were 3-bedroom, at almost 50% of the stock. This was followed by larger 4-bedroom dwellings at 18.1%. There were notably very few 1-bedroom dwellings. Completion data provided by Bassetlaw District Council shows there have been 6 completions in the last decade, all of which were 3-bedroom. There is a significantly smaller proportion of smaller 1-bedroom and 2-bedroom dwellings in the NA than in Bassetlaw as a whole and across England. The proportion of larger dwellings, especially the largest 5+ bedroom dwellings, is well above levels for the comparator areas.

Demographics

182. Based on AECOM calculations, in 2011, the largest proportion of the population in the NA (excluding the prison population) were aged 0-15, at 23.7% of the population, indicating that there was likely a large proportion of families in the NA. This reduces significantly by 2020, perhaps indicating families moving from the area, or that the majority of these children were towards the upper end of the bracket and a decade later are now within the 21-29 age category, which increased significantly between 2011 and 2020. The proportion of the population aged 60+ has also increased significantly, indicating an aging population.
183. Population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over expected to grow by 67% between 2011 and 2038. This would mean that households in this category would account for 36.5% of households in 2038 compared to 25.5% in 2011.
184. In 2011 there were significantly fewer single person households in the NA than both Bassetlaw and England. The proportion of family households, at 73.3% in Babworth, was well above both Bassetlaw (67.1%) and England (61.8%). Within family households, there was a greater proportion of older households in Babworth than the comparator areas, as well as a greater proportion of households with no children and with dependent children.
185. Under-occupancy is relatively common in Babworth, with 89.3% of households living in a household with at least one extra bedroom. This is most common in two household types: families aged 65+ and families under 65 with no children, suggesting that larger housing in the NA is not being occupied by households with the most family members, but by the people with the most wealth, or by older people who have not chosen or been able to move to smaller properties. This may therefore indicate a need for smaller dwellings for older persons to downsize.

Future size mix

186. AECOM modelling suggests that in order to reach a more appropriate size mix of housing by the end of the Neighbourhood Plan period, around half of housing should be delivered as 2-bedroom, with this size dwelling ideal for both downsizers and young couples looking to purchase their first home. Around one third of dwellings could be 3-bedroom although all new development (6 dwellings) in the last decade has been 3-bedroom so this is likely to have met some of the demographic need, meaning this proportion could be reduced. The Advisory Committee noted that 1-bedroom dwellings are unpopular, despite the shortfall in the NA, and so they may wish to allocate a proportion of these to 2-bedroom dwellings. The provision of some 1-bedroom dwellings is still encouraged as smaller affordable/social rented dwellings may be required. The modelling also suggests that few larger 4+ bedroom dwellings are delivered in the NA in the plan period.
187. It may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. There may therefore be a justification to continue supplying some larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power.
188. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to 2-bedroom homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

6. RQ 3: Specialist housing for older people

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

Introduction

189. This chapter considers in detail the specialist housing needs of older and disabled people in Babworth. The level of care associated with specialist housing products can vary widely, and is broadly categorised, in descending order from highest to lowest care level, as follows
- Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);
 - Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and
 - Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.
190. People experience ageing differently. Much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age while others may need support and care much earlier in their lives. Some will be interested in moving to a suitable home closer to services while for others ageing independently in place will be key to their wellbeing.
191. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.
192. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,¹⁹ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
193. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline

¹⁹ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

as opposed to the projected new households which form the baseline for estimating housing need overall.²⁰

194. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).²¹ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for the elderly) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.

Current supply of specialist housing for older people

195. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: <http://www.housingcare.org>.
196. There are no units of specialist accommodation in the NA at present. The Advisory Committee note that there are several bungalows in the NA with good accessibility which may therefore be suitable for older residents with limited support needs.

Tenure-led projections

197. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Bassetlaw, as this is the most recent and smallest geography for which tenure by age bracket data is available.
198. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2038. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
199. According to Table 6-1, the majority of households aged 55-75 in Bassetlaw owned their own home, at 77.9%. The remaining 22.1% lived in rented housing, with the greatest proportion of these, at 15.0% of total households, living in social rented housing.

²⁰ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

²¹ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Table 6-1: Tenure of households aged 55-75 in Bassetlaw, 2011

| All owned | Owned outright | Owned (mortgage) or Shared Ownership | All Rented | Social rented | Private rented | Living rent free |
|--------------|----------------|--------------------------------------|--------------|---------------|----------------|------------------|
| 77.9% | 57.0% | 20.9% | 22.1% | 15.0% | 5.6% | 1.5% |

Source: Census 2011

200. The next step is to project how the overall number of older people in Babworth is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Bassetlaw at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 6-2. This shows that in 2020, the 11.0% of the population were estimated to be aged 75+, just above district levels. Looking to 2038, this is expected to increase to 15.9%, with Bassetlaw expected to increase to 14.6%.

Table 6-2: Modelled projection of older population in Babworth by end of Plan period

| Age group | 2020 | | 2038 | |
|-----------|----------|-----------|----------|-----------|
| | Babworth | Bassetlaw | Babworth | Bassetlaw |
| All ages | 463 | 118,280 | 510 | 130,175 |
| 75+ | 51 | 12,000 | 81 | 19,044 |
| % | 11.0% | 10.1% | 15.9% | 14.6% |

Source: ONS SNPP 2020, AECOM Calculations

201. A key assumption for the next stages of the calculation is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture).
202. The people whose needs are the focus of the subsequent analysis are therefore the additional 30 individuals expected to join the 75+ age group by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in Bassetlaw in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 9,397 individuals aged 75+ and 6,656 households headed by a person in that age group. The average household size is therefore 1.41, and the projected growth of 30 people in Babworth between 2020 and 2038 can be estimated to be formed into around 21 households.
203. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above). This is set out in Table 6-3.

This provides a breakdown of which tenures those households are likely to need.

Table 6-3: Projected tenure of households aged 75+ in Babworth to the end of the Plan period

| Owned | Owned outright | Owned (mortgage) or shared ownership | All rented | Social rented | Private rented | Living rent free |
|--------------|-----------------------|---|-------------------|----------------------|-----------------------|-------------------------|
| 16 | 12 | 4 | 5 | 3 | 1 | 0 |

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

204. Next, rates of disability by tenure are considered. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table 6-4 presents this data for Babworth from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

Table 6-4: Tenure and mobility limitations of those aged 65+ in Babworth, 2011

| Tenure | Day-to-day activities limited a lot | | Day-to-day activities limited a little | | Day-to-day activities not limited | |
|--------------------------------------|--|--------------|---|--------------|--|--------------|
| All categories | 19 | 18.1% | 28 | 26.7% | 58 | 55.2% |
| <i>Owned Total</i> | 9 | 12.3% | 20 | 27.4% | 44 | 60.3% |
| Owned outright | 9 | 12.7% | 18 | 25.4% | 44 | 62.0% |
| Owned (mortgage) or shared ownership | 0 | 0.0% | 2 | 100.0% | 0 | 0.0% |
| <i>Rented Total</i> | 10 | 31.3% | 8 | 25.0% | 14 | 43.8% |
| Social rented | 5 | 62.5% | 2 | 25.0% | 1 | 12.5% |
| Private rented or living rent free | 5 | 20.8% | 6 | 25.0% | 13 | 54.2% |

Source: DC3408EW Health status

205. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 21.

206. These findings are set out in the table, based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g.

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

Table 6-5: AECOM estimate of specialist housing need for older people in Babworth by the end of the Plan period

| Type | Affordable | Market | Total (rounded) |
|--|--|---|-----------------|
| Housing with care (e.g. extra care) | Multiply the number of older households across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot | Multiply the number of older households across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot | 3 |
| | 1.5 | 2.0 | |
| Adaptations, sheltered, or retirement living | Multiply the number of older households across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little | Multiply the number of older households across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little | 6 |
| | 1.2 | 4.5 | |
| Total | 3 | 6 | 9 |

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

207. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table 6-6 reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

208. It is worth highlighting that the HLIN model suggests that the level of unmet demand for specialist housing for older people of all kinds is approximately 251 units per 1,000 of the population aged 75+.

Table 6-6: 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

209. As Table 6-2 shows, Babworth is forecast to see an increase of 30 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.03 = 2$
- Leasehold sheltered housing = $120 \times 0.03 = 4$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.03 = 0.6$
- Extra care housing for rent = $15 \times 0.03 = 0.5$
- Extra care housing for sale = $30 \times 0.03 = 0.9$
- Housing based provision for dementia = $6 \times 0.03 = 0.2$

210. This produces an overall total of 8 specialist dwellings which might be required by the end of the plan period.

211. Table 6-7 sets out the HLIN recommendations in the same format as Table 6-5. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates.

Table 6-7: HLIN estimate of specialist housing need for older people in Babworth 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 | 2 |
| | 0.9 | 1.2 | |
| Sheltered housing | Conventional sheltered housing for rent | Leasehold sheltered housing | 6 |
| | 1.8 | 3.6 | |
| Total | 3 | 5 | 8 |

Source: Housing LIN, AECOM calculations

HEDNA findings

212. The Bassetlaw HEDNA outlines the following key points relevant to housing for older persons in Babworth:

- It outlines the estimated need for wheelchair user homes in Bassetlaw between 2020 and 2037 is 503. If this is annualised it gives a figure of approximately 30 units a year. Pro-rated to Babworth (based on 2011 Census population figures) this gives an annual need of 0.2 wheelchair user homes in the NA, or 3 over the Neighbourhood Plan period.
- In general, Bassetlaw has an older age structure and higher levels of disability compared with other areas.

Conclusions- Specialist Housing for Older People

213. There are no units of specialist accommodation in the NA at present.

214. Between 2020 and 2038 the proportion of the population aged 75+ is expected to grow in Babworth, increasing from 11.0% of the population to 15.9% of the population. The number of individuals expected to enter this age category is 30, estimated to be around 21 households.

215. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.

216. These two methods of estimating the future need in Babworth produce a range of 8 to 9 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older

population, thereby assuming that today's older households are already well accommodated.

217. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-5, the majority of the need, at 62.5% is identified for specialist market housing. Slightly more need is identified for sheltered housing at 75.0% compared to 25.0% extra-care. The greatest sub-category of need was identified for market sheltered housing at 45.0% of the total need. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
218. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).
219. Emerging Local Plan policy ST31 supports the development of dwellings to accommodate specific groups such as older people. It outlines that residential market housing in Class C3 should be designed to meet national standards for accessibility and adaptability (Category M4(2)). There is no specific requirement for housing suitable for wheelchair users (Category M4(3)). The evidence gathered here would appear to justify this requirement. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.
220. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. In addition, Government is considering mandating M4(2) on newly erected dwellings²², although changes to Building Regulations have not yet been made. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants in the district falling into this category. Pro-rating the Bassetlaw HEDNA estimate for the need for wheelchair accessible housing to the NA indicates a need for 3 dwellings in Babworth in the Neighbourhood Plan period.

²² See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

221. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
222. 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 Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
223. It is considered that Babworth's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Babworth entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Babworth, Retford is considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself would not overlap.
224. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

7. Next Steps

Recommendations for next steps

225. This Neighbourhood Plan housing needs assessment aims to provide Babworth 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 Bassetlaw District Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
 - The views of Bassetlaw District Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Bassetlaw District Council.
226. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
227. Bearing this in mind, it is recommended that the Neighbourhood Plan Advisory Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Bassetlaw District Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
228. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

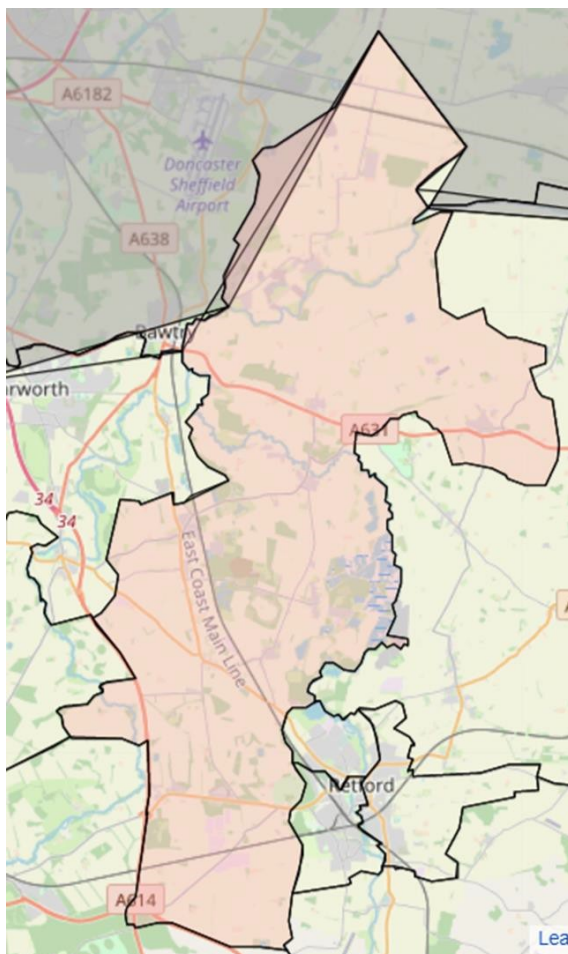
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

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

230. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of Babworth, it is considered that MSOA E02005837 is the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map of MSOA E02005837 appears in Figure A-1.

Figure A-1: MSOA E02005837 used as a best-fit geographical proxy for the Neighbourhood Area



Source: ONS

A.2 Market housing

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

i) Market sales

233. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
234. To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Babworth, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
235. Due to significant and uncharacteristic house price growth between 2020 and 2021, 2020 house prices have been used in this analysis, and when calculating affordable home ownership affordability in the NA.
236. The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2020) = £180,050;
 - Purchase deposit at 10% of value = £18,005;
 - Value of dwelling for mortgage purposes = £162,045;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £46,299.
237. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2020 was £120,000, and the purchase threshold is therefore £30,857.
238. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records no sales of new build properties in the NA in 2020. AECOM has calculated an estimate for the cost of new build entry-level

housing in the NA in 2020. This is important as it is the expected lower end of the market for new housing in the near future, and it is also the benchmark used for the likely cost of affordable home ownership products (calculated later in the Appendix). The estimated NA new build entry-level house price is calculated by determining the uplift between all house prices in 2020 across Bassetlaw and new build house prices in 2020 in the same area. This percentage uplift is then applied to the 2020 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £166,860 and purchase threshold of £42,907.

239. In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Bassetlaw in 2020. The median cost of new build dwellings in Bassetlaw was £234,995, with a purchase threshold of £60,427.

ii) Private Rented Sector (PRS)

240. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.
241. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
242. The property website Rightmove.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within half a mile of Babworth and can be used as a reasonable proxy for it.
243. According to Rightmove.co.uk, there were 7 properties for rent at the time of search in September 2022, with an average monthly rent of £824. There were 2 two-bed properties listed, with an average price of £663 per calendar month.
244. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £663 x 12 = £7,950;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £26,500.
245. The calculation is repeated for the overall average to give an income threshold of £32,971.

A.3 Affordable Housing

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

i) Social rent

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

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

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

Table A-1: Social rent levels (£)

| Size | 1 bed | 2 beds | 3 beds | 4 beds | All |
|------------------------------|---------|---------|---------|---------|---------|
| Average social rent per week | £74.21 | £86.48 | £93.24 | £109.89 | £88.52 |
| Annual average | £3,859 | £4,497 | £4,848 | £5,714 | £4,603 |
| Income needed | £12,850 | £14,975 | £16,145 | £19,029 | £15,328 |

Source: Homes England, AECOM Calculations

ii) Affordable rent

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

251. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families

under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

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

253. Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 62.5% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

| Size | 1 bed | 2 beds | 3 beds | 4 beds | All |
|----------------------------------|---------|---------|---------|---------|---------|
| Average affordable rent per week | £78.21 | £95.59 | £107.37 | £90.67 | £97.23 |
| Annual average | £4,067 | £4,971 | £5,583 | £4,715 | £5,056 |
| Income needed | £13,543 | £16,552 | £18,592 | £15,700 | £16,836 |

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

254. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

255. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

First Homes

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

257. The starting point for these calculations is therefore the estimated cost of new build entry-level housing in the NA noted above of £166,860.

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

- Value of a new home (estimated NA new build entry-level) = £166,860;
 - Discounted by 30% = £116,802;
 - Purchase deposit at 10% of value = £11,680;
 - Value of dwelling for mortgage purposes = £105,122;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £30,035.
259. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £25,744 and £21,453 respectively.
260. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. The discounted prices are also all below the cap of £250,000.
261. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2-bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m²³) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be an issue in Babworth at all discount levels and so it is recommended that First Homes are delivered at no more than 30% discount, which may still only be marginally viable.

Shared ownership

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

²³ It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

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

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

- A 25% equity share of £166,860 is £41,715;
- A 10% deposit of £4,172 is deducted, leaving a mortgage value of £37,544;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £10,727;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £125,145;
- The estimated annual rent at 2.5% of the unsold value is £3,129;
- This requires an income of £10,429 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £21,156 (£10,727 plus £10,429).

266. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £16,805 and £28,406 respectively.

267. All of the income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

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

Help to Buy (Equity Loan)

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

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

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²⁴.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard²⁵

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.

²⁴ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²⁵ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order²⁶

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)²⁷

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

Equity Loans/Shared Equity

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

²⁶ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²⁷ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁸, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

²⁸ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing²⁹

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

²⁹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for 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.³⁰

³⁰ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

