Exbourne Housing Needs Assessment (HNA)

April 2020

Quality information

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Revision History

Revision	Revision date	Details	Authorized	Name	Position
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Disclaimer

This document is intended to aid the preparation of the Neighbourhood Plan, and can be used to guide decision making and as evidence to support Plan policies, if the Qualifying Body (i.e. the neighbourhood planning group) so chooses. It is not a neighbourhood plan policy document. It is a 'snapshot' in time and may become superseded by more recent information. The Qualifying Body is not bound to accept its conclusions. If any party can demonstrate that any of the evidence presented herein is inaccurate or out of date, such evidence can be presented to the Qualifying Body at the consultation stage. Where evidence from elsewhere conflicts with this report, the Qualifying Body should decide what policy position to take in the Neighbourhood Plan and that judgement should be documented so that it can be defended at the Examination stage.

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List of acronyms used in the text:

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

1. Executive Summary

1.1 Introduction

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

1.2 Research Questions

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

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

1.2.1 Findings of RQ1: Tenure and Affordability

2. Exbourne is characterised by a very high proportion of home ownership, although there are no shared ownership households. The proportion of social rented households is much lower compared to West Devon. Again, the proportion of private rented households is lower, however, the figure is more comparable to that found at local and national levels.
3. The number of households outright owning their homes, increased in Exbourne at a greater rate than that found in West Devon. There was no change in the amount of shared ownership, social rented also remained unchanged, contrasting the growth seen in West Devon. Private rented dwellings increased in Exbourne, albeit at a significantly lower rate than that found at the local and national level.
4. House prices grew by 53.5% over the last decade. Within this, semi-detached properties experienced the largest growth at 37.6%.
5. The purchase threshold is insufficient to all those on mean incomes to access Discounted market sale or Shared Ownership at the 75% and 50% levels. The purchase threshold is more favourable for those on mean incomes when it comes to shared ownership at the 25% level. Social rent appears to be the only affordable tenure for those on lower earnings.
6. Our calculations align with the SHMA which highlights that full-time workers with earnings at the upper quartile level would be unable to purchase an entry-level property in West Devon. Full-time workers with earnings at the lower quartile or mean level would require substantial additional income or a capital sum to deduct from the purchase price to be able to afford a lower quartile property.
7. It evident that household affordability is an issue in the NA. A strong focus should be placed on delivering more affordable housing, prioritising those in the most urgent need.
8. We estimate 9 households will need affordable housing for rent and 15 households will need affordable housing for sale, representing a split of 37.5% to 62.5%. This split contrasts the SHMA recommended split of 75% social or affordable rent to 25% affordable for sale
9. Given the vast gap between affordable housing need and expected supply, and general unaffordability, we recommend that Exbourne should seek to maintain the SHMA tenure split, prioritising affordable/social rent over intermediate products.
10. In regards to intermediate products, we recommend shared ownership tenure (particularly at the 25%) should be promoted over discounted market sale.
11. The SHMA indicates that annual demand for shared ownership in the region of 37 units per year for West Devon. Exbourne's share over the plan period amounts to 5 dwellings (rounded). This is in below the 15 affordable units we have calculated. It's recommended that these figures be regarded as an aspirational range, not to be given priority over the delivery of more urgently needed affordable housing for rent.

12. Whilst the purchase threshold for discounted market dwellings is insufficient to those on mean incomes, it's recommended there should still be some provision for discounted market homes, introducing a greater degree of choice into the housing options for those able to afford these dwellings.

1.2.2 Findings of RQ2: Type and Size

13. Exbourne is characterised by a significantly higher proportion of detached properties. Exbourne also has generally larger properties. Six room dwellings have the greatest share of any other sized dwelling in Exbourne. Three-room dwellings experienced the most significant rate of change, although it is noted this may be a result of the relatively small starting base. The number of dwellings with seven or more rooms in Exbourne grew, indicating a growing demand for much larger properties.
14. Looking at size in terms of bedrooms, three-bedroom dwellings are the most prevalent in Exbourne, in line with the findings at the local and national levels. Four-bedroom dwellings are the next most popular, contrasting West Devon and England where two-bedroom dwellings are more popular. Exbourne has a slightly higher proportion of five or more-bedroom properties, and the number of one-bedroom properties is lower than that found at the local and national level.
15. Exbourne has a relatively older population when compared to West Devon. The 45-64 age band is the largest single age group, followed closely by the 65-84 age group. Exbourne has lower proportions in the 0-15, 16-24 and 25-44 age bands compared to West Devon. Exbourne has a lower proportion in the 85 and over age band compared to West Devon, at a level more comparable with the national average.
16. Exbourne's population has experienced growth in all but two age groups (0-15 and 25-44) between 2001 and 2011. These age groups experienced a decline in both the neighbourhood and local level, although the rate of decline was much greater in Exbourne. In Exbourne, the 16-24 age group experienced the largest rate of growth, at a significantly higher rate than local and national levels, followed by the 65-84 and 45-64 age groups. The 85 and over age group also increased in Exbourne, albeit at approximately half the rate of growth seen in West Devon.
17. Exbourne has a lower proportion of one-person households and one family households than West Devon, however, a slightly higher proportion of these households are aged 65 and over. The proportion of households with no children is higher in Exbourne. The proportion with dependent children is lower, again mirroring Exbourne's older population.
18. The proportion of one-person households in Exbourne increased, albeit at a lower rate compared to West Devon. Within this category the proportion of those aged 65 and over declined. Whereas, one-person households below the age of 65 seen a significant increase.
19. 'Other household types' experienced a significant percentage growth of 113.3%, however, it's caveated that this may be a consequence of the relatively low starting base. An increase in 'other household types' may indicate a lack of appropriate households i.e. lack of social housing.
20. The results of the life-stage modelling suggest that the size mix of new housing should focus on dwellings with one to three bedrooms, and suggests a lower need for large dwellings. These results align with the preceding chapter which established the need for more affordable homes, which tend to be smaller dwellings.
21. Exbourne appears to have an adequate number of bungalows. However, there may be a need to provide more two-bedroom bungalows, which in turn could meet the needs of older people who wish to downsize.
22. Whilst the analysis suggests there is a need for smaller dwellings, census data indicates a growing demand for much larger properties.
23. We therefore recommend that a broad mix of housing is provided, including all sizes of dwellings. In line with the life-stage modelling, the focus should be on smaller dwellings (especially affordable smaller homes). This would permit older households in larger dwellings to downsize and allow newly forming households to access housing through smaller and more affordable dwellings. However, it's recommended that larger dwellings also continue to be delivered in Exbourne to meet the continuing demand for larger homes in the area.

2. Context

2.1 Local context

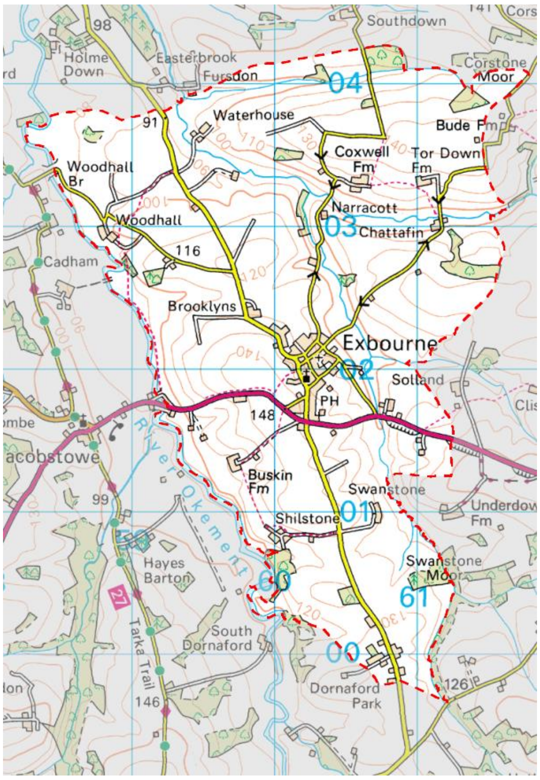
24. Exbourne is a Neighbourhood Plan area located in West Devon, in the south west of England. The Neighbourhood Area (NA) boundary was designated in November 2015, covering the same boundary as Exbourne Parish.

25. The proposed Neighbourhood Plan covers the same time period as Plymouth and South West Devon Joint Local Plan, starting in 2014 extending to 2034, comprising a planning period of 20 years.

26. A map of the Plan area appears below in Figure 2-1. Exbourne covers approximately 863 hectares, with the 2011 Census showing the Neighbourhood Plan area had a total of 358 residents.

27. Exbourne is located approximately 6 kilometres to the north of Okehampton. The A386 is located approximately 3.5 kilometres to the west of Exbourne, a primary route in Devon the A386 runs from Plymouth on the south coast to Appledore on the north coast.

Figure 2-1: Map of the Exbourne Neighbourhood Plan area[1]



Source: Exbourne Neighbourhood Plan website

28. The neighbourhood group have expressed an interested in exploring the need for Affordable Housing for sale and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

[1] Available at http://www.exbournenp.org.uk

2.2 Planning policy context

29. In line with the Basic Conditions[2] of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies.[3] Consequently, the relevant elements of the Local Plan are reviewed as part of this Housing Needs Assessment (HNA).

30. In the case of Exbourne, The Plymouth and South West Devon Joint Local Plan[4] is the adopted Local Plan. This adopted Joint Local Plan covers the administrative areas of Plymouth City, South Hams District and West Devon Borough and forms part of the Development Plan for these areas. Adopted by West Devon Borough Council on 26th March 2019, the Joint Local Plan looks ahead to 2034, establishing an over-arching strategic framework for sustainable growth.

31. The Joint Local Plan spatial strategy operates at three different levels:

    1. **The Plan Area.** This includes the Plymouth Housing Market Area (HMA), which is made up of Plymouth, South Hams and West Devon local authority areas and part of the Dartmoor National Park. The Dartmoor part of the HMA is excluded from this plan, as it is being considered through the Dartmoor local plan.
    2. **The Plymouth Policy Area.** This incorporates the administrative area of Plymouth along with Plymouth's urban fringe. Locations that are part of the wider urban area (e.g. Woolwell, Langage) and where major development is committed (e.g. the new community at Sherford), as well as the city's landscape setting, fall within this policy area.
    3. **The Thriving Towns and Villages (TTV) Policy Area.** This incorporates rural South Hams and West Devon, including its market towns, settlements and villages, such as Exbourne.

2.2.1 Policies in the adopted local plan[5]

32. The table below includes the policies within the adopted Local Plan that are considered relevant to this HNA

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

Policy	Provisions
Strategic Objective SO1 Delivering the spatial strategy	Sets overarching principles for distributing development and other needs within the Plan Area. Within the TTV Policy Area growth will be on focused on six main towns - Dartmouth, Ivybridge, Kingsbridge, Tavistock, Totnes and Okehampton.
Policy SPT2 Sustainable linked neighbourhoods and sustainable rural communities	Details a number of sustainable principles to guide how development in the Plan Area. Relevant principles include: • Provide for higher density living appropriate to the local area in the areas that are best connected to sustainable transport, services and amenities, as well as appropriate opportunities for home working, reducing the need to travel. • Have a good balance of housing types and tenures to support a range of household sizes, ages and incomes to meet identified housing needs. • Promote resilience to future change by ensuring a well-balanced demographic profile with equal access to housing and services.
Policy SPT3 Provision for new homes	Sets a housing provision of at least 26,700 dwellings (net) in the Plan Area between 2014 to 2034. Within the TTV Policy Area this includes at least 7,700 new homes, of which 2,050 should be affordable.

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

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

[4] Available at https://www.westdevon.gov.uk/article/3457/Plymouth-and-South-West-Devon-Joint-Local-Plan

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

Policy	Provisions
Policy TTV1 Prioritising growth through a hierarchy of sustainable settlements	Establishes that homes will be distributed according to the hierarchy of settlements.
Policy TTV2 Delivering sustainable development in the Thriving Towns and Villages Policy Area	Sets specific objectives of rural sustainability to be supported through development, relevant objectives include: • The location of housing where it will enhance or maintain the vitality of rural communities. The delivery of affordable homes that enable rural communities to remain vibrant.
Policy TTV25 Development in the Sustainable Villages	States that 550 homes will be sought from sustainable villages as part of the overall housing supply for the TTV Policy Area. Development within the sustainable villages, including the indicative level of housing, should be provided through neighbourhood plans.[6]
Policy TTV27 Meeting local housing needs in rural areas	Sets out principles for residential development on rural sites which would not otherwise be released for this purpose. This includes where the development meets a proven need for affordable housing for local people, including a mix of affordable and market housing products where necessary.
Policy DEV8 Meeting local housing need in the Thriving Towns and Villages Policy Area	Sets provisions to deliver a wide choice of high-quality homes, including: 1. Using local housing evidence to ensure that there is a range of housing, broadening choice and meeting specialist need for existing and future residents. 2. Within rural areas with special designations, as defined in section 157 of the Housing Act 1985, all residential developments of 6-10 dwellings will provide an off-site commuted sum to deliver affordable housing to the equivalent of at least 30 per cent of the total number of dwellings in the scheme. 3. Within the whole policy area a minimum of at least 30% on-site affordable housing will be sought for all schemes of 11 or more dwellings.
Policy DEV 9 Meeting local housing need in the Plan Area	Sets additional provisions for the delivery of a range and mix of housing, including: 1. Affordable housing to include social and affordable rent, shared ownership, or models that meet the local demand/need, such as rent-to-buy, starter homes and shared equity. 2. Supporting self and custom build housing. 3. Supporting development which increases choice in housing by greater utilisation of the private rented sector, including Build to Rent. 4. Seeking a mix of accessible housing units including: i. Requiring at least 20 per cent of dwellings on all schemes of five or more dwellings, where practicable, to meet national standards for accessibility and adaptability. Requiring at least 2% of dwellings on all schemes of 50 or more dwellings to meet national standards for wheelchair user homes.
Policy DEV10 Delivering high quality housing	Establishes a number of principles to deliver high quality housing in terms of its design and resilience and provide adequate space to achieve good living standards.

Source Plymouth & South West Devon Joint Local Plan 2014-2034 (Adopted March 2019)

2.2.2 Quantity of housing to provide

33. The NPPF 2018 requires, through paragraphs 65 and 66, Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

[6] Figure 5.8. of the Joint Local Plan identifies Exbourne as a village able to accommodate around 30 dwellings.

34. West Devon has fulfilled that requirement by providing Exbourne with an indicative figure of around 30 dwellings to be accommodated within the Neighbourhood Plan area by the end of the Plan period in 2034.[7]

35. Given that the NPPF requirement has already been fulfilled, the question of how many houses to plan for has been answered. It is therefore outside the scope of this Housing Needs Assessment. The issue of quantity has been excluded from the Research Questions (see Chapter 3).

[7] As confirmed in Figure 5.8. of the Joint Local Plan.

3. Approach

3.1 Research Questions

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

37. The RQs relevant to this study, as discussed and agreed with Exbourne, are set out below.

3.1.1 Tenure and Affordability

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

39. This evidence will allow Exbourne 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 (eg social housing, affordable rented, shared ownership) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

3.1.2 Type and Size

40. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. In particular the group have expressed an interest in exploring the housing provision required to retain young people within the area as well as fulfilling the needs of the elderly population.

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

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?

3.2 Relevant Data

3.2.1 Local authority evidence base

42. It is appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As Exbourne Neighbourhood Area is located within West Devon's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA), which is known as the Plymouth & South West Devon Joint Local Plan SHMA, published February 2017.

43. The SHMA is formed of two parts: Part 1 addresses the housing market area and objectively assessed need; Part 2 addresses the need for Affordable Housing.

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

3.2.2 Other relevant data

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

- Land Registry data on prices paid for housing within the local market;
- Population and household projections produced by the Office of National Statistics (ONS);
- Information on current property asking prices, for housing for sale or rent, from home.co.uk;

- Valuation Office Agency (VOA) data on local housing stock by dwelling type;
- Devon Home Choice Register; and
- Neighbourhood-level survey and consultation work giving further detail. In the case of Exbourne, this comprises the Exbourne Housing Survey 2016.

4. RQ 1: Tenure and Affordability

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

4.1 Introduction

46. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.

47. This section will examine the tenure of dwellings in the current stock and recent supply. Then, looking at affordability, make an assessment on whether continuation of these trends would meet future needs. This section also investigates whether there are misalignments between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new developments to prioritise certain tenures, to bring supply and demand into better alignment.[8]

4.2 Definitions

48. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. AH comprises those forms of housing tenure that fall within the definition of Affordable Housing set out in the current NPPF: social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms of AH designed to offer affordable routes to home ownership.[9]

49. The definition of Affordable Housing set out in the NPPF makes clear the Government's commitment to home ownership (broadening the definition of AH which had previously referred only to social and intermediate housing to include a range of low-cost housing opportunities for those aspiring to own a home, including discounted market sale). However, it still recognises the important role of social, affordable, and private rent tenures for those not currently seeking home ownership.

50. The Government has proposed to introduce First Homes to provide at least a 30% discount on new market housing for sale. However, the NPPF and Homes England funding for Affordable Housing recognises the important role of affordable rented tenures for those unable to afford home ownership.

51. In paragraph 64 of the NPPF, the Government introduces a recommendation that "*where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership"*. In line with PPG,[10] the assumption should be that a 'major housing development' can be defined as a site of 10 dwellings or more, and that affordable home ownership includes discounted market sale, shared ownership homes, and homes available for discount market sale.

4.3 Current tenure profile

52. In order to set a baseline for the examination of tenure, it is necessary to present a picture of the Neighbourhood Plan area based on the most recent reliable data. Table 4-1 overleaf presents Census data from 2011; this table shows the distribution of how households occupy their homes within Exbourne, compared to the rest of West Devon and England.

53. Exbourne is characterised by a very high proportion of home ownership compared to the local and national levels. Whilst outright ownership is high, there appear to be no shared ownership households in Exbourne. The proportion of social rented households is much lower in Exbourne compared to West Devon and England. Again, the proportion of private rented households is lower in Exbourne, however the figure is more comparable to the proportions found at the local and national levels.

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

[9] NPPF 2019.

[10] PPG 031 Reference ID: 23b-031-20161116, available at https://www.gov.uk/guidance/planning-obligations

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

Tenure	Exbourne	West Devon	England
Owned; total	82.5%	73.2%	63.3%
Shared ownership	0.0%	0.7%	0.8%
Social rented; total	2.6%	9.5%	17.7%
Private rented; total	12.3%	15.0%	16.8%

Sources: Census 2011, AECOM Calculations

54. In Table 4-2, we note the changes in tenure during the intercensal period. The table highlights how the number of households outright owning their homes increased in Exbourne at a greater rate than that found in West Devon and England (where national trends indicate a decline in home ownership levels). There was no change in the amount of shared ownership dwellings in Exbourne, contrasting the significant growth found in West Devon. Social rented also remained unchanged, contrasting the growth seen in West Devon and the slight decline in England. Private rented dwellings increased in Exbourne, albeit at a significantly lower rate than that found at the local and national level.

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

Tenure	Exbourne	West Devon	England
Owned; total	18.7%	8.3%	-0.6%
Shared ownership	0.0%	80.5%	30.0%
Social rented; total	0.0%	21.4%	-0.9%
Private rented; total	11.8%	65.6%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

4.4 Affordability by tenure

55. Having reviewed the tenure of the existing housing stock in Exbourne and the findings of the SHMA, this report turns to assessing future provision over the Neighbourhood Plan period.

56. In order to understand whether the tenure profile of the current stock reflects the needs of the population currently and over the Plan period, the starting point is to consider whether this profile provides different market segments access to dwellings of a suitable type and size, given their household composition.

4.4.1 House prices

57. We have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio[11] (LQAR) and the Median Affordability Ratio[12] (MAR). While this is a relatively crude measure of affordability, as it does not take account of the cost of servicing mortgage debt, it is a useful basic measure for benchmarking affordability changes over time and between different geographies. Further, PPG makes clear that lower-quartile house prices may be used as a benchmark for entry-level home prices.[13]

58. An entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to be in conformity with Government guidance on overcrowding, such a home would require three habitable rooms (i.e. comprise a flat or house with one or two bedrooms). Entry-level properties can therefore also be understood as one or two-bedroom flats/houses.

59. Figure 4-1 on the following page looks at selected measures of house prices in Exbourne. It shows that notable fluctuations over the last decade, which could be attributed to the relevantly small sample size. Between 2009-2018 there were only 55 property transactions within Exbourne, whilst there were no property transactions at all in 2011. The biggest divergences amongst the mean, median and lower quartile house prices can be seen between 2014 and 2017.

[11] See Glossary in Appendix.

[12] See Glossary in Appendix.

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

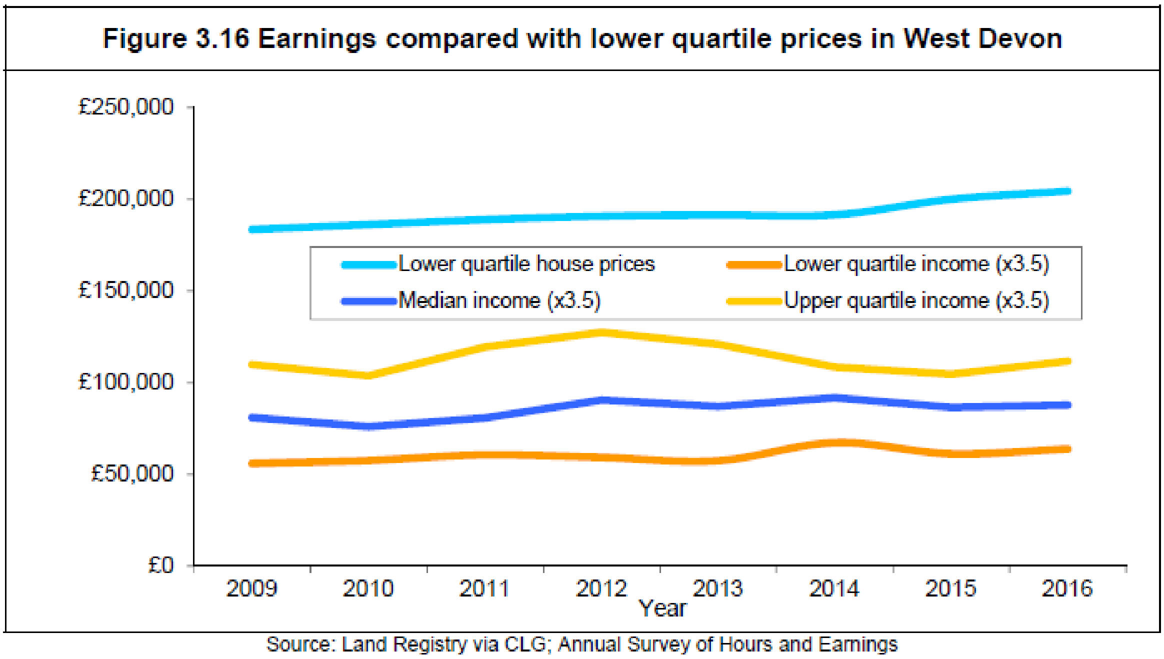
Interestingly, in 2018 there was very little difference between the house prices for the mean, median and lower quartile levels. A total of 6 property transactions took place in 2018, the difference between lower quartile prices and mean prices was 1.58%, similarly the difference between lower quartile and median was 2.97%.

Figure 4-1: House prices by quartile in Exbourne between 2009 and 2018

Source: Land Registry PPD

60. Figure 4-2 below, taken from the SHMA, shows how lower quartile house prices across West Devon have risen out of step with local incomes, which have fluctuated but remained similar over the previous decade.

Figure 4-2: Earnings compared with lower quartile prices, West Devon



Source: Plymouth & South West Devon Joint Local Plan SHMA, 2017

61. Table 4-3 overleaf breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It shows that overall houses prices grew by 53.5% over the last decade. Within this, semi-detached properties experienced the largest growth at 37.6%. Detached properties experienced the second highest growth at 13.6%, followed closely by terraced dwellings at 10%. In terms of flats, only one transaction was recorded over the entire period (in 2015). This is

perhaps unsurprising as this housing type is uncommon within a small, parish setting. It is important to note that some anomalies exist in the table below due to an abnormally high house prices and few homes sold of that type in some years (for example, only two detached dwellings were sold in 2012, one at £870,000 and the other at £405,000).

Table 4-3: House prices by type in Exbourne, 2009-2018

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth*
Detached	-	£279,583	-	£352,500	£276,863	£465,000	£637,500	£505,000	£395,000	£317,500	**13.6%**
Semi-detached	£229,000	£234,000	-	£220,500	£235,750	£203,483	£275,000	£238,500	£238,800	£315,000	**37.6%**
Terraced	£150,000	-	-	-	£210,000	-	-	£180,583	£180,000	£165,000	**10.0%**
Flats	-	-	-	-	-	-	£118,000	-	-	-	**-**
All Types	**£189,500**	**£273,071**	**-**	**£308,500**	**£251,161**	**£268,863**	**£388,600**	**£327,893**	**£320,760**	**£290,833**	**53.5%**

**Growth measured between date of the earliest transaction and 2018*

Source: Land Registry PPD, AECOM calculations

4.4.2 Income

62. 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.

63. The first source is locally specific but limited to the average total household income and the mean net annual household income before housing costs (or take-home pay). This is the average household income estimates published by ONS[14] at the level of the Middle-layer Super Output Area (MSOA)[15]. In the case of Exbourne the MSOA most suitable for use as a proxy for the Neighbourhood Plan area boundary is West Devon 001. Further details on the extent of this MSOA, including a map, and why it was selected as a proxy for the Neighbourhood Plan area, are set out in Appendix A.

64. The average net annual household income before housing costs (equalised) across West Devon 001 in 2015/2016 was £28,200, while the average total annual income was £37,100.[16] The latter figure of total income is taken into account by lenders in assessing how much to loan a household for a mortgage.

65. The second source of data provides the Lower Quartile (LQ) average earnings that is helpful for understanding affordability challenges among those with lower than average earnings, but it is only available at the District level and so is less locally-specific. It also relates to individual earnings and is therefore different to household income, where there may be two people earning.

66. It is derived from ONS annual estimates of paid hours worked and earnings for UK employees to local authority level. Although 2018 provisional data has been published, the revised 2017 data is considered more robust and is therefore used here.

67. West Devon's gross LQ weekly earnings for 2017 was £270.60, or approximately £14,071 per year.

68. This LQ figure of is a helpful indication of what those in the lowest earnings are able to put towards their housing costs, although it is important to note two caveats. First, this figure applies to the wider District and may therefore differ from actual LQ income levels within the NA itself. Second, it is an indication of gross rather than net incomes, and so the actual amount of income received after taxes and expenses will likely differ. Third, it represents individual earnings not household incomes. LQ household incomes may be higher where two people in a household are earning.

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[14] Available at https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016

[15] An MSOA is a statistical area defined for Census purposes. For further information on MSOAs, see https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography

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

4.4.3 Affordability Thresholds

69. In order to gain a clearer understanding of local affordability, it is also useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds'. Purchase Thresholds (PT) denote the standard household income needed to access mortgage products, and Income Thresholds (IT) denote the maximum share of a family's income that should be spent on accommodation costs. The PT is particularly helpful for understanding the affordability of market homes.

70. AECOM has determined thresholds for entry-level market purchase and private rent and the full range of Affordable Housing tenures as set out in NPPF across Exbourne. There are: social rent; affordable rent set at 80%, shared ownership at 25%, 50%, and 75%; discounted market sale and rent to buy and estimated social rent levels. These calculations are detailed in Appendix A. 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 35[17]% and that mortgage financing will be offered at a maximum of 3.5 times household income. Table 4-4 shows the cost of different tenures and the annual income required to support these costs within Exbourne. The income required column is the annual income needed to support ongoing housing costs, but does not reflect the cost of a deposit (which we have assumed to be 10% of the value to be purchased) or the possibility that households able to access market housing for purchase may already hold equity from an existing property.

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

Tenure	Cost of purchase	Annual rent	Annual Income required[18]
Market Sale	£261,750	N/A	£74,786
Entry-level market sale	£257,625	N/A	£73,607
Shared ownership (75%)	£193,219	£5,111	£60,317
Discounted market sale	£206,100	N/A	£58,886
Shared ownership (50%)	£128,813	£10,223	£47,026
Shared ownership (25%)	£64,406	£15,334	£33,736
Entry-level market rent	N/A	£7,443	£21,266
Affordable rent	N/A	£5,955	£17,013
Social rent - 3 bed dwelling	N/A	£5,303	£15,152
Social rent - 2 bed dwelling	N/A	£4,718	£13,481

Source: AECOM Calculations

71. The income required to afford the different tenures is then benchmarked, in Figure 4-4 against the two measurements of household income and earnings set out above. These are the average total income for West Devon 001 at £37,100 and the lower quartile average earnings for West Devon at £14,071.

72. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average market home for sale is significantly higher than that available to those on mean incomes. The income required to buy an average entry-level home for sale is similar to the amount required to buy an average market home. Entry-level homes are therefore well out of the price range of those on lower quartile household earnings.

73. Next, we turn to properties for purchase through the Discounted market sale (essentially a 20% discount on the open market purchase price) and Shared Ownership tenures, i.e. those aimed at households unable to afford to buy in the market. Mean incomes are insufficient to purchase Discounted market sale or Shared Ownership at the 75% and 50% levels. The purchase threshold is more favourable for those on mean incomes when it comes to shared ownership at the 25% level.

[17] This is in line with the affordability test set out in paragraph 5.8 of the 2017 SHMA.
[18] On top of deposit assumed at 10% (see Appendix A).

74. Finally, the calculations suggest those on lower quartile earnings are unable to afford most housing tenures under consideration. Social rent appears to be the only affordable tenure for those on lower earnings (though social rented dwellings don't appear to be well-supplied in Exbourne at present).

75. It's important to caveat that the lower quartile earning data does not reflect housing benefits or other forms of financial assistance. For this reason it is possible that many lower quartile households would also be able to meet their housing needs in privately rented rooms in shared houses using housing benefit

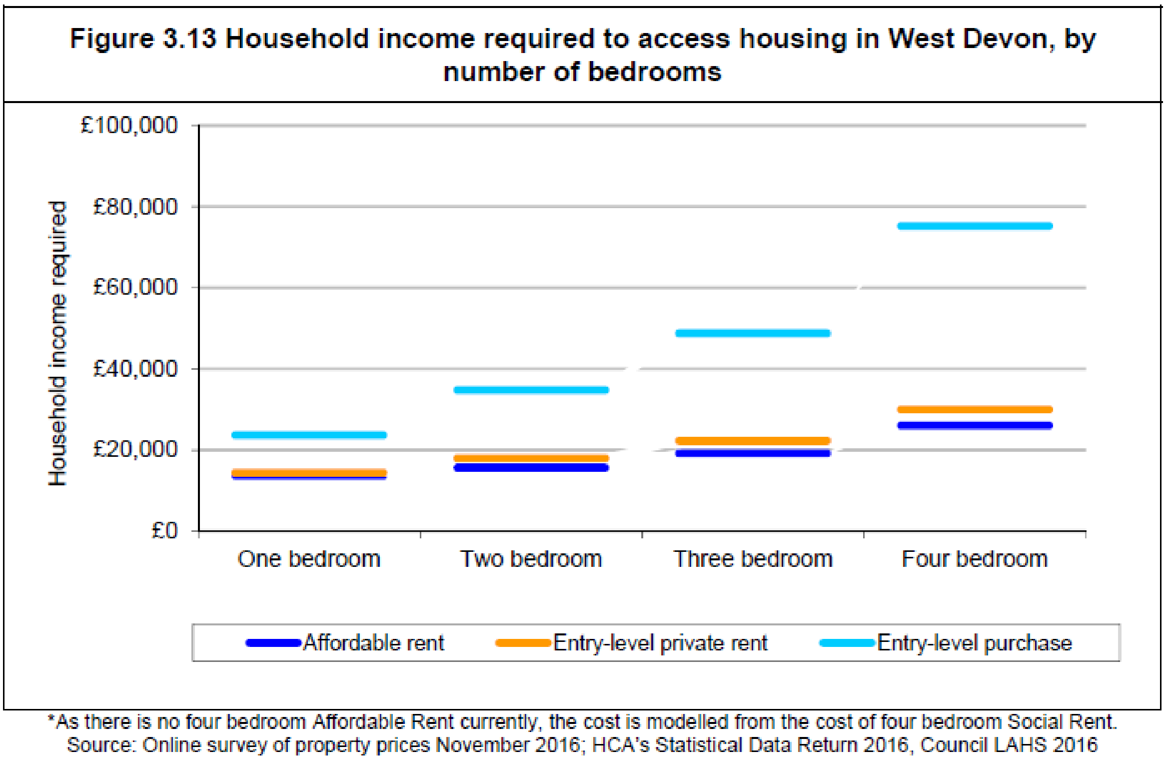
76. Government policy aimed at tackling the housing crisis continues to focus on helping those on lower quartile incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership.[19]. These tenures, namely Discounted market sale and Shared Ownership, are out of reach for those with lower quartile earnings in Exbourne, whilst those on mean incomes should be able to afford shared ownership at the 25% level if they can be delivered at these prices.

77. The Government recently published a consultation document on the introduction of First Homes which are intended to provide at least a 30% discount on the price of new homes. Furthermore, the consultation indicates that there may be a requirement to provide a proportion of Affordable Housing as First Homes (ranging from 40-80%). In the case of Exbourne, analysis of prices, rents and incomes suggest that there is relatively little scope to provide First Homes as they are unlikely to extend homeownership to some households on median incomes even at a 30% discount.

78. The rent to buy tenure, which enables a household to save a proportion of their rent as a deposit to eventually buy the property, is only affordable where average rental prices are affordable. In Exbourne, this is generally the case, so rent to buy may be a viable option.

79. For context, Figure 4-3 reproduces the affordability thresholds analysis from the SHMA, which indicates a large gap between the cost of renting and buying that could be filled by affordable home ownership products.

Figure 4-3 Household income required to access housing in West Devon, by number of bedrooms



Source: Plymouth & South West Devon Joint Local Plan SHMA, 2017

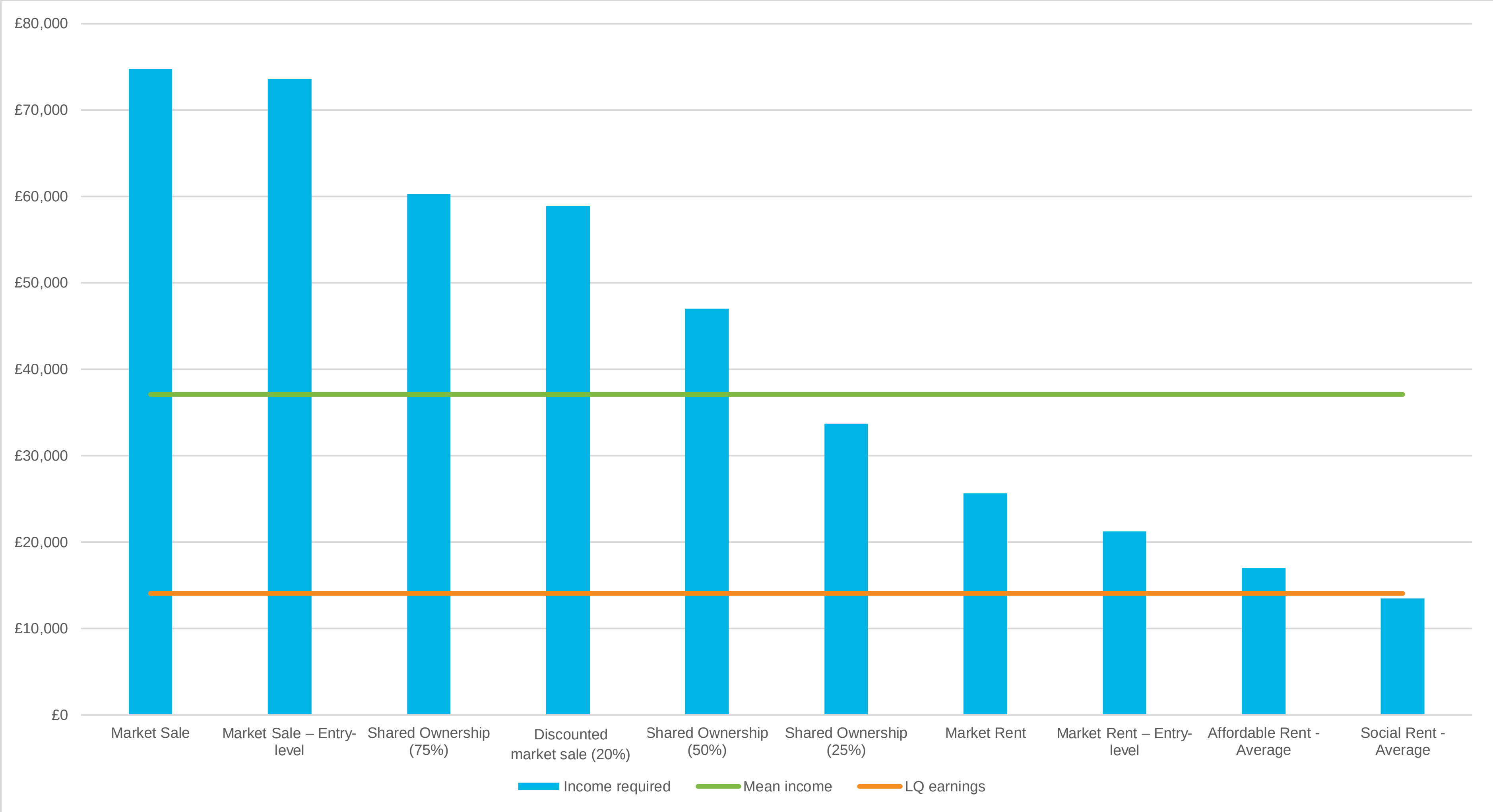
80. In terms of accommodation for those on lower quartile earnings and incomes, social and affordable rented tenures will remain critical in enabling these households to access housing, often alongside housing benefit where individual

[19] See the White Paper 'Fixing Our Broken Housing Market', at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

earnings or household incomes are insufficient. The PRS may also be accessible to these households when supported by housing benefit.

81. Our calculations align with the findings of the SHMA which highlights that full-time workers with earnings at the upper quartile level would be unable to purchase an entry-level property in West Devon. Full-time workers with earnings at the lower quartile or mean level would require substantial additional income or a capital sum to deduct from the purchase price to be able to afford a lower quartile property.

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



Source: AECOM Calculations

4.5 Affordable - quantity needed

82. The SHMA is the starting point for understanding the need for affordable housing in Exbourne. The 2017 SHMA indicates a need for 57 dwellings for affordable housing in West Devon per annum[20]. Prorating the need for rented Affordable Housing according to number of West Devon households living in Exbourne (0.68%) results in an estimated annualised level of need of 0.39 households. Over the Neighbourhood Plan period this equates to 8 (rounded) affordable dwellings for Exbourne.

83. However, pro-rating District level estimates of affordable housing need to rural areas presents problems in practice. In rural villages like Exbourne the lack of social housing means there is no need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is difficult to identify need for social/affordable rented housing within Exbourne.

84. In Table 4-5 and Table 4-6 overleaf we have calculated, using PPG[21] as a starting point, an estimate of the total need for affordable housing for rent and sale in Exbourne over the Plan period. It should, however, be noted that the accuracy of the findings generated by the models is only as strong as the evidence we have available to us. For example, Census 2011 data is increasingly out-of-date. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic polices, the calculations set out in Table 4-5 and Table 4-6 are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.

85. It should also be noted that figures in Table 4-5 are largely dependent on information provided by West Devon in its capacity as manager of the local housing waiting list. The table shows that there are currently about 7 households in West Devon with a local connection to Exbourne unable to access affordable rented homes suitable to their needs. The table also suggests that there are projected to be approximately 9 (rounded) additional households in need of social/affordable housing to rent over the Plan period. These households can afford to neither rent nor buy on the open market and will require social and affordable rented housing. This includes households who are in need currently and those expected to fall into need by 2030.

[20] 2017 SHMA Appendix 5, Table 5.10c

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

Table 4-5 Quantity of Affordable Housing for social/affordable rent needed in Exbourne over the Plan period

Stage and Step in Calculation		Total	Description
STAGE 1: CURRENT NEED			
1.1	Current households in need	7	Number of households on Home Choice register with a local connection to Exbourne
1.2	Per annum	**0.4**	1.1 divided by the plan period 2020-2030
STAGE 2: NEWLY ARISING NEED			
2.1	New household formation	23.7	MHCLG 2014-based household projections for the LA between start and end of plan period. % increase applied to NA
2.2	Proportion of new households unable to rent in the market	19.9%	(1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1	Current number of social renters in NA	5	2011 Census + LA-level % increase (MHCLG, Live Table 100)
2.2.2	Number of private renters on housing benefits	21	Housing benefit caseload May 2018. Pro rata for NA.
2.3	New households unable to rent	5	2.1 * 2.2
2.4	Per annum	**0.2**	2.3 divided by plan period 2020-2030
STAGE 3: SUPPLY OF AFFORDABLE HOUSING			
3.1	Supply of social/affordable re-lets (including transfers) %	3%	Assumed proportion of stock re-let each year
3.2	Supply of social/affordable re-lets (including transfers)	0.1	3.1 x NA social rented stock (2.2.1)
NET SHORTFALL (OR SURPLUS) PER ANNUM			
Overall shortfall per annum		**0.45**	Shortfall = (Step 1.2 + Step 2.4) – 3.2
Total NA need for Affordable Housing for social/affordable rent in Exbourne over the Plan period		**8.95**	

Source: AECOM model, using Census 2011, English Housing Survey 2018, Devon Home Choice, CLG 2014 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

86. There is some additional analysis on the role of intermediate housing in the SHMA, but it does not quantify the need (or rather, potential demand) for Affordable Housing from households who can afford to rent but cannot afford to buy and would prefer to do so. The needs and aspirations of this group have become a priority of Government in recent years and are now reflected in revisions to the NPPF which include affordable home ownership products within the definition of Affordable Housing. For this reason, the estimation of need for this group in Table 4-6 overleaf does not correspond to any estimate provided in the SHMA

87. Table 4-6 estimates the number of households who might need affordable home ownership. This is a simplified assessment of the needs of these households but considered reasonable and proportionate for the purposes of neighbourhood planning. These households are additional to the 0.45 households per annum identified in Table 4-5 above (although there may be some overlap at the margins). They can afford to rent however and so this estimate is different in nature to the first group and their needs less urgent. As the SHMA analysis is not clear on whether or not some or all relevant households are excluded from its figure of 0.39 per annum, it may not be appropriate to combine the result in Table 4-1 with the SHMA estimate only.

88. If they are to be accommodated in Affordable Housing these households will need some form of affordable home ownership, such as shared ownership, Discounted market sale, rent to buy or intermediate rent. The majority of those households identified in Table 4-6 currently live in the PRS because they cannot afford to purchase a home. Based on our earlier assessment of the cost of the PRS and open market sale, these households are likely to be on incomes of around £50-70,000 (see Figure 4-4). In order for affordable home ownership products to be affordable to this group, they would need to be accessible to those on incomes broadly in this range. This is a relatively high level of income required to access affordable products, again highlighting the affordability issue in Exbourne. The estimate in Table 4-6 suggests there may be potential demand for around 0.7 affordable dwellings for sale per annum. Over the Plan period this equates to 15 (rounded) dwellings for sale.

89. The total estimated Affordable Housing need over the Plan period 2014- 2034 is therefore 9 (rounded) affordable rented homes and 15 (rounded) affordable home ownership dwellings.

Table 4-6 Quantity of Affordable Housing for sale needed in Exbourne over the Plan period

Stage and Step in Calculation		Total	Description
STAGE 1: CURRENT NEED			
1.1	Current number of renters in NA	23.2	Census 2011 number of renters x national % increase to 2018
1.2	Percentage renters on housing benefit in LA	30.0%	% of renters in 2018 on housing benefit (based on LA proportion)
1.3	Number of renters on housing benefits in NA	6.9	1.1 x 1.2
1.4	Current need (households)	12.2	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5	Per annum	**0.6**	1.4/ plan period
STAGE 2: NEWLY ARISING NEED			
2.1	New household formation	23.7	LA household projections for plan period (2014 based) pro rated to NA
2.2	% of households unable to buy but able to rent	7.6%	Current % of households in PRS
2.3	Total newly arising need	1.8	2.1 x 2.2
2.4	Total newly arising need per annum	**0.2**	2.3/ plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING			
3.1	Supply of affordable housing	0.4	Number of shared ownership homes in NA (Census 2011 + new build to 2018/19)
3.2	Supply - intermediate resales	0	3.1 x 5% (assume rate of re-sale)
NET SHORTFALL (OR SURPLUS) OF PER ANNUM			
Overall shortfall per annum		**0.7**	Shortfall = (Step 1.5 + Step 2.4) – 3.2
Total NA need for Affordable Housing for sale in Exbourne over the Plan period		**14.75**	

Source: AECOM model, using Census 2011, English Housing Survey 2018, CLG 2014 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

90. 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, and implemented by the Local Planning Authority. As previously mentioned, West Devon Borough Council has provided Exbourne with an indicative total figure of around 30 dwellings to be accommodated within the Neighbourhood Plan area by the end of the Plan period. If all 30 dwellings are delivered on sites large enough for the Policy DEV8[22] to apply, we can assume that fewer than 10 of the 30 will be affordable. This is obviously lower than the sum of our two estimates of need set out in Table 4-5 and Table 4-6.

91. It is therefore unlikely that the Neighbourhood Plan will be able to accommodate the Affordable Housing identified here.

92. 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 tried and tested ways of boosting the supply of affordable housing above the minima indicated by Local Plan policy.

93. It is important to state Affordable Housing identified in this HNA is an estimate and does not form part of the Local Plan requirements. There is no policy or legal obligation on the part either of the Local Authority or neighbourhood planners for it to be met in full, either within or outside the Neighbourhood Plan area, though there are tools available to neighbourhood planners, as outlined above, that can help ensure that it is met to a greater extent if resources permit.

94. It is also important to remember that even after the Exbourne or indeed any other, Neighbourhood Plan is adopted, the assessment of need for affordable housing, its allocation to those in need and the management of the housing waiting list all remain the responsibility of the local authority rather than neighbourhood planners.

[22] Policy DEV8 of the adopted Joint Local Plan requires a minimum of at least 30% on-site affordable housing for all schemes of 11 or more dwellings

95. In this sense, it must be acknowledged that neighbourhood plans are by their nature relatively constrained in terms of the extent to which they can meet affordable housing need, unless there is a specific policy on the housing supply-side (e.g. the identification of one or more housing exception sites over and above those required by the Local Plan).

4.5.1 Tenure Split within Affordable Housing

96. In terms of the most appropriate mix of tenures within Affordable Housing, our calculations would suggest that a ratio of 9 affordable rent to 15 affordable sale, or 37.5% to 62.5% in percentage terms, would be appropriate.

97. It is important to review West Devon's affordable housing policy. The Joint Local Plan does not specify a target split within Affordable Housing, instead simply welcoming a variety of tenures. However, the SHMA estimates the proportion of different tenures needed over the plan period.

98. In Table 4-3 of the SHMA (replicated below as Figure 4-5), it's estimated that 18.3% of new housing should be offered for social or affordable rent and 6.1% as shared ownership. As a percentage of Affordable Housing only (which is required at 30% of all housing), this equates to 75% social or affordable rent and 25% shared ownership.

Figure 4-5 Tenure of new accommodation required in the HMA over the next 20 years

Tenure	*Current tenure profile (2014)*	*Tenure profile 2034*	*Change required*	*% of change required*
Owner-occupied	106,770	120,412	13,642	53.1%
Private rent	34,521	40,317	5,797	22.5%
Shared ownership	1,635	3,200	1,565	6.1%
Social Rent/Affordable Rent	28,552	33,263	4,711	18.3%
Total	171,478	197,192	25,714	100.0%

Source: Plymouth & South West Devon Joint Local Plan SHMA, 2017

99. This conclusion, suggesting there is a significantly greater need for affordable dwellings to rent contrasts our calculations above which suggest there is a greater need for affordable homes to own in Exbourne. It is important to keep in mind that the households identified in the Table 4-6 estimate in are, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent.

100. The SHMA emphasis on affordable rented housing is further justified by the fact that households needing social/affordable rent have little other choice and have the most urgent housing needs. As highlighted earlier, the proportion of social rented households in Exbourne is much lower, there was also no growth in this tenure over the census period.

101. It's also important to consider affordability thresholds when recommending a tenure spilt. Figure 4-4 shows that that most affordable ownership products are out of reach for those mean incomes and therefore well out of the price range of those on lower quartile household earnings. Social rent appears to be the only affordable tenure for those on lower earnings.

102. Given the vast gap between affordable housing need and expected supply, and general unaffordability in Exbourne, it is recommended based on AECOM's judgement, Exbourne should seek to maintain the SHMA tenure split and continue to prioritise those in the most urgent need.

103. In Table 4-7 overleaf, we take forward the recommended SHMA tenure split and further break it down into its component parts based on the analysis of affordability thresholds (presented in Figure 4-4). This tenure split should be considered a guideline for the ideal mix of tenures to be delivered within the NA, it may not represent sufficient justification for the tenure split to be enforced precisely through a Neighbourhood Plan policy.

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

Routes to home ownership, of which	**25%**
Discounted market sale	5%
Rent to buy	10%
Shared ownership	10%
Affordable Housing for rent, of which	**75%**
Affordable Rent	25%
Social Rent	50%

Source: AECOM calculations

104. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development[23] should be available for affordable home ownership. As Local Policy and our affordability analysis suggest, there is the ability to provide more than this within the NA. As Figure 4-4 shows, shared ownership at 25% level is the most affordable form of intermediate tenure. For the reason, we recommend the provision of shared ownership should be promoted. Within this provision, we recommend that shared ownership at 50% and 75% should be avoided given it is out of reach for those on mean incomes. It should be noted, however, that the recommendation here for shared ownership at 25% share is only an indication of what would serve the community best, and its deliverability will depend on viability and what providers are able to deliver. The precise ownership share to be offered is not something that it is in the power of neighbourhood planning policies to enforce.

105. The NPPF also specifies that exceptions to the 10% affordable home ownership requirement are permissible when such development will "significantly prejudice the ability to meet the identified affordable housing needs of specific groups"- in other words, in cases where the development of affordable home ownership dwellings would reduce the provision of other types of affordable housing such as social and affordable rented homes. Based on the findings of this chapter, there is no evidence that going beyond the 10% threshold in Exbourne would prejudice the provision of much needed affordable rented homes.

106. Given that shared ownership is recommended as the most appropriate affordable route to home ownership, it is worth looking at the scheme in more detail. Despite being introduced back in the 1970s, shared ownership has only recently become established. This is due to the scheme being relaunched in recent years with a substantial boost to development from 2009 as private developers sold unsold market homes to registered providers during the financial crisis. As a form of tenure, it is generally more affordable than buying and on a par or cheaper than renting privately – both in the NA and the Country as a whole. Shared ownership is particularly known for being an affordable option for those seeking to get on the housing ladder such as newly forming households and families. Given that Exbourne is home to these households, shared ownership is likely to be of interest in the NA.

107. It is also popular due to the increased choice, control and security it offers in comparison to other tenures. However it should be noted that there are some issues with shared ownership which affect its affordability. For example, buyers of shared ownership flats have to pay service charges which are not fixed and can increase unpredictably. Buyers are also responsible for the maintenance of the property, however small their share in the property. Staircasing (buying a greater share) can also be costly. Given that the purchase of the additional share will rise as market values rise. Furthermore, the discount attained through renting the remaining share can in certain locations be similar to the difference in price between a new build and existing dwelling, meaning that a new shared ownership dwelling is often no more affordable than an existing dwelling offered for market sale.

108. The SHMA indicates that annual demand for shared ownership (only given for a 50% equity share) is in the region of 37 units per year for West Devon as a whole. Over a 20-year Plan period, that amounts to 740 dwellings, of which Exbourne' s share (on the basis of its 0.68% share of the Borough population) would be 5 (rounded) shared ownership units over the Plan period. This is in below the 15 affordable units for sale estimated above. It's recommended that these figures be regarded as an aspirational range, not to be given priority over the delivery of more urgently needed affordable housing for rent.

109. It should also be noted that in the Exbourne Housing Survey 2016, of the four households stating a need for affordable housing, all indicated a desire to purchase a house, with three happy for this to be an intermediate or shared equity

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

house. Three of the four households also wanted affordable rented accommodation. Given West Devon's policy objectives and the small sample size, it's difficult to justify policy recommendations based on the results of the Housing Survey 2016. It does, however, point to a need to further assess demand for this product when planning for new development.

110. The tenure split in Table 4-7 should be considered a guideline for the ideal mix of tenures to be delivered within the NA. As such, it will be a useful point of reference when planning applications are considered but may not represent sufficient justification for the tenure split to be enforced precisely through a Neighbourhood Plan policy.

111. Indeed, the precise mix of affordable homes at the site-specific level will be influenced by a variety of factors, such as: viability considerations, the views of Registered Providers including whether they wish to manage small numbers of affordable homes in a rural location, the existing stock mix and other policy objectives. It is important to state that the estimates of need in this HNA or elsewhere do not directly determine affordable housing policies because of these wider policy considerations.

112. Where the neighbourhood planners wish to craft policy that enforces this split more rigidly, it is important that they liaise with the LPA to gather more detailed income and viability information, and to ensure that departures from the district-level policy context have the LPA's support. Another option 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-size circumstances in addition to this evidence.

113. Note that the Government is also consulting on First Homes and may require that a substantial proportion of affordable homes are provided as First Homes. The consultation document is consulting on a range of 40, 60 or 80%. The neighbourhood group will need to take account of this emerging policy and how it could impact on affordable housing polices (particularly the tenure mix) in the Neighbourhood Plan. The indicative tenure split above suggests that in order to appropriately meet local need, 5% of new affordable homes could be discounted market sale (including First Homes, when this is implemented). The proportion could be higher if very substantial discounts on market prices can be delivered.

114. If Government requires 40-80% of all affordable housing delivered through new market led developments as First Homes this would impact on the ability of Exbourne to meet the needs of those with acute needs within the area (including those in need of affordable housing for rent). Therefore, it is recommended that consideration is also given to alternative mechanisms capable of helping to meet local need, where appropriate (i.e. rural/entry-level exception sites or community led housing etc.). However, the group should note that the First Homes product has not been formally implemented and should monitor the outcomes of the Government consultation closely.

4.6 Conclusions- Tenure and Affordability

115. Exbourne is characterised by a very high proportion of home ownership compared to the local and national levels. Whilst outright ownership is high, there appears to be no shared ownership households in Exbourne. The proportion of social rented households is much lower in Exbourne compared to West Devon and England. Again, the proportion of private rented households is lower in Exbourne, however the figure is more comparable to the proportions found at the local and national levels.

116. During the intercensal period, the number of households outright owning their homes, increased in Exbourne at a greater rate than that found in West Devon and England (where national trends indicate a decline in home ownership levels). There was no change in the amount of shared ownership dwellings in Exbourne, contrasting the significant growth found in West Devon. Social rented also remained unchanged, contrasting the growth seen in West Devon. Private rented dwellings increased in Exbourne, albeit at a significantly lower rate than that found at the local and national level.

117. There has been an overall increase in house prices in Exbourne, growing by 53.5% over the last decade. Within this, semi-detached properties experienced the largest growth at 37.6%. Detached properties experienced the second highest growth at 13.6%, followed closely by terraced dwellings at 10%. In terms of flats, only one transaction was recorded over the entire period (in 2015).

118. It's apparent that the income required to buy an average market home for sale is significantly higher than that available to those on mean incomes. The income required to buy an average entry-level home for sale is similar to the amount required to buy average market home. The purchase threshold is insufficient to all those on mean incomes to access Discounted market sale or Shared Ownership at the 50% and 75% levels. The purchase threshold is more favourable for those on mean incomes when it comes to shared ownership at the 25% level.

119. Social rent appears to be the only affordable tenure for those on lower earnings (though social rented dwellings don't

appear to be well-supplied in Exbourne at present). However, it's important to caveat that the lower quartile earning data does not reflect housing benefits or other forms of financial assistance, therefore it's possible many lower quartile households would be able to meet their housing needs.

120. Our calculations align with the findings of the SHMA which highlights that full-time workers with earnings at the upper quartile level would be unable to purchase an entry-level property in West Devon. Full-time workers with earnings at the lower quartile or mean level would require substantial additional income or a capital sum to deduct from the purchase price to be able to afford a lower quartile property.

121. It is therefore evident that household affordability is an issue in the NA, with even those on mean incomes unable to afford entry level prices. A strong focus should therefore be placed on delivering more affordable housing, prioritising those in the most urgent need

122. Over the Plan period we estimate 9 households will need affordable housing for rent and 15 households will need affordable housing for sale, representing a broadly balanced split of 37.5% to 62.5% in percentage terms. This tenure split contrasts the SHMA which recommends a split of 75% social or affordable rent to 25% affordable for sale. Given the vast gap between affordable housing need and expected supply, and general unaffordability, it is recommended that Exbourne should seek to maintain the SHMA tenure split and continue to prioritise those in the most urgent need.

123. This tenure split should be considered a guideline for the ideal mix of tenures to be delivered within the NA. As such, it will be a useful point of reference when planning applications are considered but may not represent sufficient justification for the tenure split to be enforced precisely through a Neighbourhood Plan policy.

124. Within the affordable home ownership provision, we recommend shared ownership tenure (particularly at the 25% share) should be promoted over discounted market sale. This is only an indication of what would serve the community best, and its deliverability will depend on viability and what providers are able to bring forward. The precise ownership share to be offered is not something that it is in the power of neighbourhood planning policies to enforce.

125. The SHMA indicates that annual demand for shared ownership (only given for a 50% equity share) is in the region of 37 units per year for West Devon. Exbourne's share over the plan period amounts to 5 dwellings (rounded). This is below the 15 affordable units we have calculated. It's recommended that these figures be regarded as an aspirational range, not to be given priority over the delivery of more urgently needed affordable housing for rent.

126. Our analysis shows the purchase threshold for discounted market dwellings is insufficient to those on mean incomes. However, it's recommended there should still be some provision for discounted market homes to introduce a greater degree of choice into the housing options for those able to afford these dwellings.

127. 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, and implemented by the LPA. 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 tried and tested ways of boosting the supply of affordable housing above the minima indicated by Local Plan policy.

128. Table 4-8 overleaf applies the Local Plan's affordable housing polices to estimate Exbourne'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 precise quantities of affordable housing for rent and sale that would be delivered if the tenure split proposed in this HNA were rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighborhood plan to influence the tenure mix in other ways or as a result of site-specific constraints.

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

A	Housing requirement figure	30
B	Affordable housing quota (%) in LPA's Local Plan	30%
C	Potential total Affordable Housing in NA (A x B)	9
D	Rented % (eg social/ affordable rented)	75%
E	Rented number (C x D)	7
F	Discounted market homes % (eg First Homes)	25%
G	Discounted market homes number (C x F)	2

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

5. RQ 2: Type and Size

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

5.1 Introduction

129. The Exbourne Neighbourhood Plan will need to include policies informed by evidence on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people options within the housing market at all stages of life.

130. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Exbourne. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type is determined by the way different household types currently occupy their dwellings in the LPA, and then applying demographic projections of how the Neighbourhood Plan area population is likely to change by the end of the Plan period.

5.2 Existing types and sizes

5.2.1 Background and definitions

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

132. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture to demographics, household type and size.

133. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' can be translated as follows[24]:

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

134. It is also useful to clarify the Census terminology around dwellings and households spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained.[25] As such, all dwellings are classified into either "shared" or "unshared" dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.

135. The key measure of whether a dwelling is shared or unshared relates to the Census' definition of a household. A household is defined as "*One person living alone or a group of people (not necessarily related) living at the same*

[24] At https://www.nomisweb.co.uk/census/2011/qs407ew

[25] At https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form

address who share cooking facilities and share a living room or sitting room or dining area."[26] On this basis, where unrelated *residents* of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

5.2.2 Dwelling type

136. The 2011 Census shows that there were 154 households in Exbourne, living in 102 detached houses, 48 semi-detached, 8 terraced houses, and 1 flat. Compared with West Devon, Exbourne is characterised by a significantly higher proportion of detached properties and a significantly lower proportion of terraced dwellings. The proportion of semi-detached dwellings is higher in Exbourne compared to West Devon, albeit at a more similar level than other dwelling types. As Exbourne only has one flat the overall proportion of this dwelling type is significantly lower than that found at the local and national levels (see Table 5-1 below).

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

Dwelling type		Exbourne	West Devon	England
Whole house or bungalow	Detached	63.0%	43.2%	22.4%
	Semi-detached	29.6%	25.1%	31.2%
	Terraced	4.9%	20.9%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	0.6%	6.3%	16.4%
	Parts of a converted or shared house	0.0%	2.5%	3.8%
	In commercial building	0.6%	1.3%	1.0%

Source: ONS 2011, AECOM Calculations

5.2.3 Dwelling size

137. Table 5-2 below sets out the distribution of the number of rooms by household space. The housing stock in Exbourne is characterised by a greater proportion of larger properties when compared to West Devon. Six room dwellings have the greatest share of any other sized dwelling in Exbourne, compared to West Devon where five room dwellings have the greatest share. The proportion of small dwellings (1-4 rooms) in Exbourne is 18.2% contrasting the 24.7% figure found in West Devon. The proportion of large properties (5-7 rooms) is more comparable, at 52.6% in Exbourne and 52.9% in West Devon. The proportion of very large properties (8+ rooms) in Exbourne is 29.2% opposed to 22.4% found in West Devon.

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

Number of Rooms	Exbourne	West Devon
1 Room	0.0%	0.2%
2 Rooms	0.0%	1.4%
3 Rooms	4.5%	6.7%
4 Rooms	13.6%	16.3%
5 Rooms	13.6%	21.9%
6 Rooms	20.1%	18.4%
7 Rooms	18.8%	12.6%
8 Rooms or more	14.3%	9.8%
9 Rooms or more	14.9%	12.6%

Source: ONS 2011, AECOM Calculations

[26] Ibid.

138. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. The most notable change from 2001 is the significant growth in three-room dwellings, which underwent a 133.3% increase in the NA, compared to the 23.3% increase at the LA level. Again, this dramatic increase is a result of the relatively small starting base (the number of three-room dwellings grew from three in 2001 to seven in 2011). There was no growth in one- and two-room dwellings in Exbourne compared to growth seen at the local level. The number of five-room dwellings decreased by 25% in Exbourne, compared to the modest growth of 3.4% seen in West Devon. Four-room dwellings experienced a lower rate of growth in Exbourne compared to rate at the local level. The growth in six-room dwellings in Exbourne is comparable to the rate seen in West Devon. The number of dwellings with seven or more rooms in Exbourne grew at a higher rate compared to the local level, indicating a growing demand for much larger properties in Exbourne.

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

Number of Rooms	Exbourne	West Devon	England
1 Room	0.0%	11.4%	-5.2%
2 Rooms	0.0%	34.2%	24.2%
3 Rooms	133.3%	23.3%	20.4%
4 Rooms	5.0%	8.1%	3.5%
5 Rooms	-25.0%	3.4%	-1.8%
6 Rooms	10.7%	10.2%	2.1%
7 Rooms	26.1%	18.1%	17.9%
8 Rooms or more	28.6%	21.4%	29.8%

Source: ONS 2001-2011, AECOM Calculations

139. It is also useful to compare the figures for number of rooms with figures for the number of bedrooms for each household. Table 5-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that three-bedroom dwellings are the most popular in Exbourne in line with the findings at the local and nation levels (albeit at different proportions). Four-bedroom dwellings are the next most popular size in Exbourne, contrasting West Devon and England where two-bedroom dwellings are more popular. Exbourne has a slightly higher proportion of five or more-bedroom properties compared to West Devon, almost double the proportion found in England. Reflecting this, the number of one-bedroom properties in Exbourne is lower than that found at the local and national level.

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

Bedrooms	Exbourne		West Devon		England	
All categories: no. of bedrooms	**154**	**100.0%**	**22,725**	**100.0%**	**22,063,368**	**100.0%**
No. bedrooms	0	0.0%	19	0.1%	54,938	0.2%
1 bedroom	5	3.2%	1,693	7.4%	2,593,893	11.8%
2 bedrooms	33	21.4%	5,936	26.1%	6,145,083	27.9%
3 bedrooms	67	43.5%	8,749	38.5%	9,088,213	41.2%
4 bedrooms	36	23.4%	4,465	19.6%	3,166,531	14.4%
5 or more bedrooms	13	8.4%	1,863	8.2%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

5.3 Household composition and age structure

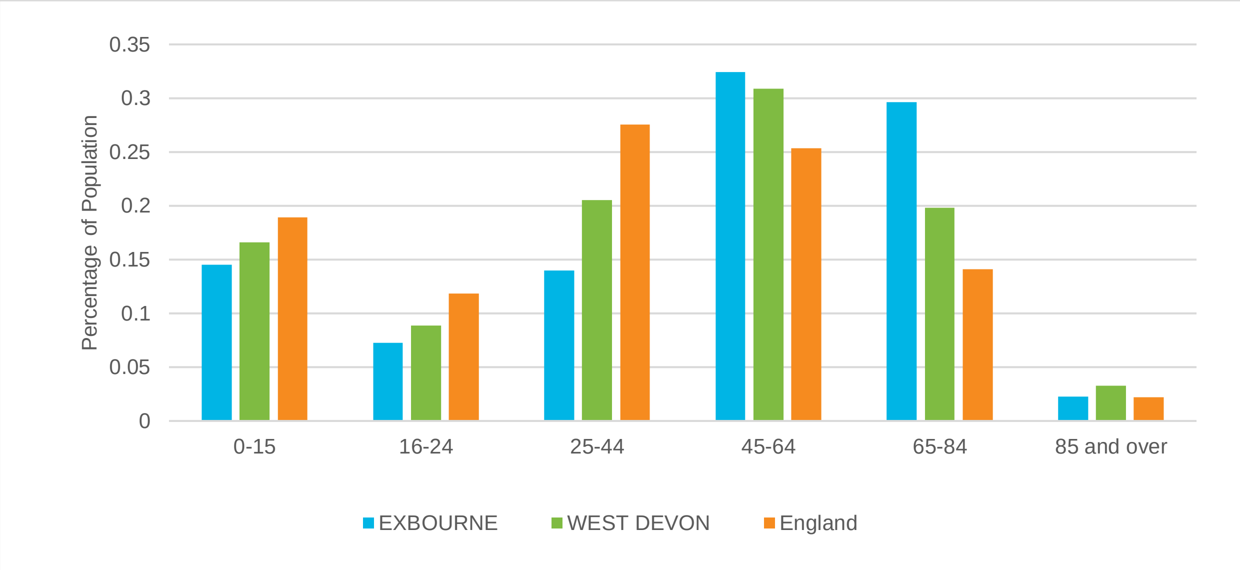
140. Having established the current stock profile of Exbourne and identified recent changes in its composition, the evidence assembled below examines the composition and age structure of households in the 2011 Census and in future years. Through a consideration of the types of households projected to form over the Neighbourhood Plan period, and the mix

of age groups suggested by demographic projections, it becomes possible to consider the type and size of housing needed in the Neighbourhood Plan area by the end of the planning period.

5.3.1 Age structure

141. The 2011 Census data reveals that Exbourne has a relatively older population when compared to West Devon. The 45-64 age band is the largest single age group in Exbourne, followed closely by the 65-84 age group. Exbourne has lower proportions in the 0-15, 16-24 and 25-44 age bands compared to West Devon. However, Exbourne also has a lower proportion in the 85 and over age band compared to West Devon, at a level more comparable with the national average (see Figure 5-1 below).

Figure 5-1: Age structure in Exbourne, 2011



Source: ONS 2011, AECOM Calculations

142. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 NA population has experienced growth in all but two age groups. The 0-15 and 25-44 age groups experienced a decline in both Exbourne and West Devon, although the rate of decline was much greater in Exbourne. The 16-24 age group experienced the largest rate of growth, at a significantly higher rate than local and national levels (see Table 5-5 below). This is followed by the 65-84 and 45-64 age groups which also experienced a higher rate of growth than local and national levels. The 85 and over age group also increased in Exbourne, albeit at approximately half the rate of growth seen in West Devon.

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

Age group	Exbourne	West devon	England
0-15	-10.3%	-0.8%	1.2%
16-24	52.9%	18.5%	17.2%
25-44	-16.7%	-7.2%	1.4%
45-64	17.2%	15.2%	15.2%
65-84	34.2%	27.7%	9.1%
85 and over	14.3%	30.1%	23.7%

Source: ONS 2001-2011, AECOM Calculations

5.3.2 Household composition

143. Household composition (i.e the mix of adults and children in a dwelling) is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.

144. In assessing Census data on household composition, we see that Exbourne differs from the Local Authority in that there are less one-person households. When we look at one-person households aged 65 and over we see Exbourne has a slightly higher proportion of these households in compared to West Devon. Looking at one family households, we can see the proportion of those aged 65 and over is higher in Exbourne compared to West Devon. The proportion of households with no children is higher in Exbourne. The proportion with dependent children is lower, once again mirroring Exbourne's older population (Table 5-6). Note that non-dependent children refer to households in which adult children are living at home, or students still call their primary residence despite living for most of the year near to university. Though this category can often indicate the relative unaffordability of entry-level homes in an area as many such young people may wish to move out and form their own households if they were financially able.

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

Household composition		EXBOURNE	WEST DEVON	England
One person household	**Total**	**22.1%**	**28.2%**	**30.2%**
	Aged 65 and over	14.9%	14.6%	12.4%
	Other	7.1%	13.7%	17.9%
One family only	**Total**	**73.4%**	**66.3%**	**61.8%**
	All aged 65 and over	20.1%	12.2%	8.1%
	With no children	26.6%	22.5%	17.6%
	With dependent children	19.5%	22.8%	26.5%
	All children Non-Dependent[27]	7.1%	8.7%	9.6%
Other household types	**Total**	**4.5%**	**5.5%**	**8.0%**

Source: ONS 2011, AECOM Calculations

145. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001 and 2011, the proportion of one-person households grew in Exbourne, albeit at a lower rate compared to West Devon. Within this category the proportion of those aged 65 and over actually declined in Exbourne, contrasting the growth seen in West Devon. One-person households below the age of 65 seen a significant increase in Exbourne compared to the rate of change at the local and national level. (see Table 5-7).

146. The proportion of one family households in Exbourne grew at a slightly higher rate than that of West Devon. Within this category, households with all children non-dependent experienced the greatest increase. This is followed by households with no children which experienced a greater growth than West Devon or England. Households with all aged over 65 also grew in Exbourne, albeit at a lower rate than West Devon, contrasting the decline seen in England. Households with dependent children experienced no change in Exbourne contrasting the growth seen at the national and local level. 'Other household types' experienced the most significant percentage growth, at 113.3% compared to 6.7% and 28.9% seen at the local and national level, respectively. However, it's important to caveat that this significant growth may be a consequence of the relatively low starting base. In 2001 there were 3 'other household types' in Exbourne, growing to 7 households in 2011 (representing a growth of 113.3%).

147. The increase in 'other household types' may indicate a lack of appropriate households. As noted in the previous chapter, there was no growth in social housing provision between 2001-2011 in Exbourne. Those whose needs are better suited to the social tenure may be forced to access rooms within shared dwellings in the private rented sector (supported via housing benefit).

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

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

Household type		Percentage change, 2001-2011		
		Exbourne	West Devon	England
One person household	**Total**	**3.0%**	**17.6%**	**8.4%**
	Aged 65 and over	-11.5%	5.3%	-7.3%
	Other	57.1%	34.2%	22.7%
One family only	**Total**	**11.9%**	**11.1%**	**5.4%**
	All aged 65 and over	3.3%	15.8%	-2.0%
	With no children	24.2%	14.9%	7.1%
	With dependent children	0.0%	4.3%	5.0%
	All children non-dependent	37.5%	13.8%	10.6%
Other household types	**Total**	**133.3%**	**6.7%**	**28.9%**

Source: ONS 2001-2011, AECOM Calculations

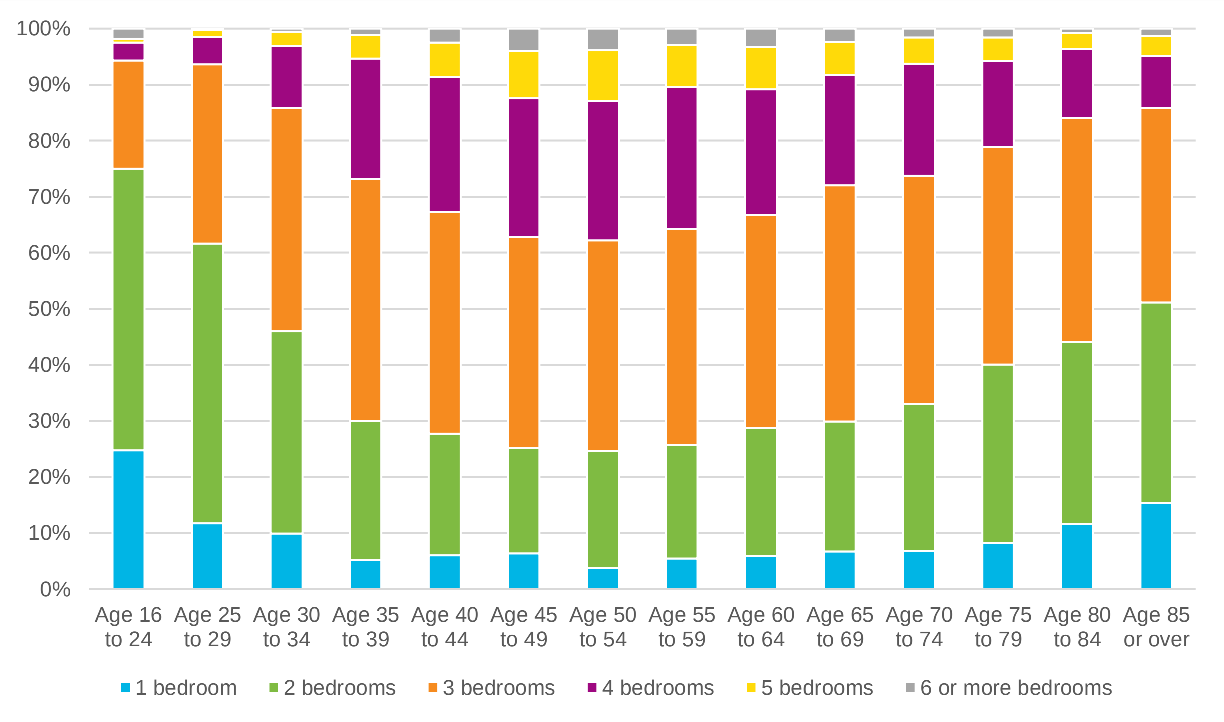
5.4 Dwelling mix determined by life-stage modelling

148. Recognising the fact that households of different ages may have different housing needs, the housing mix needed to meet demographic change by the end of the Plan period is estimated by an approach based on current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in households aged under 24 will lead to an increase in the need for the type of housing currently occupied by households of that age. It is important to keep in mind that 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 propensity of households to occupy more or less space than they 'need'. This approach also embeds existing patterns of occupancy which may or may not be desirable. This is particularly important to keep in mind in areas where housing affordability has worsened because it means that many households are forced to occupy less space than they need or want.

149. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LPA-level data needs to be used as the closest proxy.

150. Figure 5-2 below sets out the relationship in the 2011 Census at LPA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that that smaller one- and two-bedroom properties are more popular amongst households where the HRP is between 16 and 29. Larger properties get more popular than smaller properties as we move into the 30 and beyond age group. In households where the HRP is aged 55 and over, smaller one and two-bedroom properties become progressively more popular, although there is still a significantly high level of households in this age group occupying larger properties of three bedrooms or more. It's only when we get to the 85 and over age group where the proportion of those living in smaller one and two-bedroom properties is greater than those living in larger properties. This may indicate a lack of opportunity and/or reluctance to down or 'rightsize'.

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



Source: ONS 2011, AECOM Calculations

151. Household projections provided by MHCLG are then used to understand the future distribution of households by the age of the HRP. Again, this data is only available at the Local Authority level and for the years 2014 and 2039. Therefore, we have estimated what the distribution of households by the age of the HRP would be in 2034, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 5-8 below.

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

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	440	1,837	7,906	4,712	7,830
2014	365	1,730	7,588	4,549	9,160
2034	353	1,572	7,577	4,345	13,726
2039	350	1,532	7,574	4,294	14,868

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

152. It is then necessary to extrapolate from this LPA-level data an estimate of the corresponding change in the age structure of the population in Exbourne. To do so, the percentage increase expected for each group across West Devon, derived from the data presented above was mapped to the population of Exbourne. The results of this calculation are detailed in Table 5-9 below:

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

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	0	8	46	29	71
2014	0	8	44	28	83
2034	0	7	44	27	124
% change 2011-2033	0	-14%	-4%	-8%	75%

Source: AECOM Calculations

153. To complement the two stages in Table 5-10 below sets out the distribution of dwellings of different sizes according to the age of the HRP as they appeared in Census 2011. This provides the basis for a modelled estimate of the proportion of dwelling sizes that will be occupied by each age band across West Devon by the end of the plan period.

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

Size	Age of HRP 16 to 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	24.8%	10.7%	5.4%	5.7%	9.1%
2 bedrooms	50.2%	41.9%	21.1%	21.6%	28.8%
3 bedrooms	19.3%	36.5%	38.9%	38.3%	39.7%
4 bedrooms	3.2%	8.5%	24.1%	23.7%	16.2%
5+ bedrooms	2.5%	2.4%	10.5%	10.6%	6.1%

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

154. Finally, having established the likelihood shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in West Devon and Exbourne falling into each of these stages by the end of the Plan period in 2034, it is possible to estimate how the housing stock might evolve in terms of size over the Neighbourhood Plan period in response to demographic change (see Table 5-11 below).

155. The table takes in turn each projected age group in 2034, estimating how many of the households in that age bracket will want or need to occupy each size of dwelling. This is repeated for each age bracket and added together to arrive at an estimation of what proportion of each size of dwelling will be required overall.

Table 5-11: Likely dwelling size distribution in Exbourne by the end of the Plan period, based on modelled household life-stages (totals may not sum due to rounding)

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Pop	0	7	44	27	124	**-**
1 bedroom	0	1	2	2	11	**16**
2 bedrooms	0	3	9	6	36	**54**
3 bedrooms	0	3	17	10	49	**79**
4 bedrooms	0	1	11	6	20	**38**
5+ bedrooms	0	0	5	3	8	**15**

Source: Census 2011, AECOM Calculations. Figures may not sum due to rounding

156. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 5-11 above modelling the change in the age structure of the population in Exbourne.

157. Table 5-12 overleaf indicates that, by 2034, the size distribution of dwellings should be more focused on the smaller end of the size spectrum than it is currently, with the proportions of homes with one and two bedrooms needing to increase and the proportions of homes with three or more bedrooms in lower demand.

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

Number of bedrooms	2011		2034	
1 bedroom	5	3.2%	16	7.9%
2 bedrooms	33	21.4%	54	26.6%
3 bedrooms	67	43.5%	79	39.3%
4 bedrooms	36	23.4%	38	18.7%
5 or more bedrooms	13	8.4%	15	7.5%
Total households	**154**	**100.0%**	**202**	**100.0%**

Source: Census 2011, AECOM Calculations

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

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

Number of bedrooms	2011	2034	Change to housing mix	Recommended split
1 bedroom	5	16	11	22.8%
2 bedrooms	33	54	21	43.3%
3 bedrooms	67	79	12	25.6%
4 bedrooms	36	38	2	3.7%
5 or more bedrooms	13	15	2	4.7%

Source: AECOM Calculations

159. The interim result of the life-stage modelling exercise show that, in terms of demographic change, new development might involve the following share of dwelling sizes: 22.8% of as 1 bedroom, 43.3% as two bedrooms, 25.6% as three bedrooms, 3.7% as four bedrooms and 4.7% as 5 or more bedrooms.

160. Note that only the percentage mix in the right-hand column is relevant to the purposes of this HNA and the neighbourhood planning process. The actual numbers of dwellings required to adjust the size mix do not reflect that actual quantity of housing needed in the NA and are simply a step in the calculation necessary to produce a percentage split. As a general point, this dwelling mix in percentage terms stands alone from the overall quantity of housing needed or allocated over the Plan period, and could equally apply to windfall development, allocations beyond the plan period, or any other source of housing supply.

5.4.1 Adjustment of model results

161. However, it is important to caveat the result of this model, because it is based on past trends and existing supply. Future supply, not just demographic profile, can influence occupancy patterns. For instance, it may be that the construction of attractive options for older households eg bungalows could enable some older people to downsize whilst remaining in their existing community, but in the absence of such accommodation, these older households will remain in their larger family sized homes. For this reason, it is useful to verify the results with respect to occupancy trends at the national level (England and Wales) which evens out any particular local bias. This would give the following split (Table 5-14).

Table 5-14: Nationally-adjusted future potential misalignments of supply and demand for housing, Exbourne

Number of bedrooms	2011	2034	Change to housing mix	Recommended split
1 bedroom	5	24	19	30.6%
2 bedrooms	33	56	23	36.9%
3 bedrooms	67	87	20	32.5%
4 bedrooms	36	27	-9	0.0%
5 or more bedrooms	13	8	-5	0.0%

Source: AECOM Calculations

162. Note that the changes to the housing mix given above for four and five-bedroom dwellings are negative numbers. In light of the national and local housing shortage, it is rarely advisable to remove dwellings from the available stock, as would otherwise be suggested here for dwellings with four or more bedrooms, we have set the recommended split at 0% rather than a negative number, and rebalanced the other sizes as percentages of the additional dwellings they represent in total.

163. In other words, the results of the life-stage modelling suggest that there will be no need for further four bedroom and five bedroom or more dwellings over the Neighbourhood Plan period based on current occupancy patterns and projected demographic change.

164. A direct comparison between the two recommended splits above (based first on District occupation patterns and second on national occupation patterns) is given in Table 5-15 below.

Table 5-15: District-based and nationally-adjusted recommended housing size mixes compared, Exbourne

Number of bedrooms	District-based mix	Nationally-adjusted figure
1 bedroom	22.8%	30.6%
2 bedrooms	43.3%	36.9%
3 bedrooms	25.6%	32.5%
4 bedrooms	3.7%	0.0%
5 or more bedrooms	4.7%	0.0%

Source: AECOM Calculations

165. This recommended split implies a higher requirement for one-bedroom properties and a lower requirement for larger four or more-bedroom dwellings when nationally adjusted. This could be explained by the fact that the occupation of smaller one-bedroom properties is much higher in cities and other kinds of settlements captured in the national data, than in the occupation patterns of the District, where homes in its rural areas are generally larger. Therefore, the substantial demand for smaller properties identified earlier may be inflated by a lack of one to three bedroom dwellings. Providing more of these will supply smaller family homes for younger households and enable older households to downsize'.

166. The nationally adjusted results here should not replace the initial findings above, but are worth bearing in mind when planning for future development, and justify the application of the recommended dwelling mix in Table 6-14 with a degree of flexibility. The district-based mix is likely to be more representative of housing need in Exbourne given its more localised approach and general characteristics of the district. It should also be noted that this report is concerned with demand in the sense of need rather than in the sense of the preferences of potential occupants, which will likely include demand for larger homes. There may also be good reasons to deliver larger properties in the NA as part of a housing mix strategy in the Borough as a whole.

5.4.2 Specific Housing Types

167. Given Exbourne' s relatively older population it is important to consider the potential housing types that meet the current and future needs of older people. The neighbourhood group acknowledge that bungalows can play an important role in

meeting the needs of older people and people with accessibility needs. As previously stated, bungalows also have the added benefit of allowing some older people to downsize whilst remaining in their existing community.

168. As the ONS Census data does not capture bungalows as a distinct type, we have used Valuation Office Agency data to investigate their presence in Exbourne. Unfortunately, the Lower Super Out Area (LSOA) represents the smallest geographically boundary this information is available at. Therefore, in Table 5-16 overleaf we've used LSOA West Devon 001A (E01020320) as a proxy for the Neighbourhood Plan area.

169. The data in Table 5-16 suggests that overall Exbourne has an adequate number of bungalows when compared to the borough level. However, when looking at specific sizes we can see a significant difference amongst the provision of two-bedroom bungalows. There may be a need to provide more two-bedroom bungalows in Exbourne, which in turn could meet the needs of older people who wish to downsize.

Table 5-16 Number of bungalows by property size, 2018

	Exbourne Proxy (numbers)	Exbourne Proxy (%)	West Devon (numbers)	West Devon(%)
1 bedroom	20	7.7%	480	5.7%
2 bedrooms	70	26.9%	2,990	35.6%
3 bedrooms	130	50.0%	3,910	46.6%
4 bedrooms +	40	15.4%	1,010	12.0%
Unknown	0	0.0%	0	0.0%
Total	**260**	**32.5%**	**8,390**	**32.7%**
Total properties	**800**	**100%**	**25,660**	**100%**

Source: Valuation Office Agency, Council tax: stock of properties, 2018, Table CTSOP3.0 & CTSOP3.1

5.5 Conclusions- Type and Size

170. Exbourne is characterised by a significantly higher proportion of detached properties and a significantly lower proportion of terraced dwellings. The proportion of semi-detached dwellings is higher in Exbourne compared to West Devon, albeit at a more similar level than other dwelling types. As Exbourne only has one flat the overall proportion of this dwelling type is significantly lower than that found at the local and national levels. Exbourne appears to have an adequate number of bungalows compared to West Devon. However, there may be a need to provide more two-bedroom bungalows, which in turn could meet the needs of older people who wish to downsize.

171. Exbourne is characterised by a greater proportion of larger properties when compared to West Devon. Six room dwellings have the greatest share of any other sized dwelling in Exbourne, compared to West Devon where five room dwellings have the greatest share. The proportion of small dwellings (1-4 rooms) in Exbourne is 18.2% contrasting the 24.7% figure found in West Devon. The proportion of large properties (5-7 rooms) is more comparable, at 52.6% in Exbourne and 52.9% in West Devon. The proportion of very large properties (8+ rooms) in Exbourne is 29.2% opposed to 22.4% found in West Devon.

172. During the intercensal period three-room dwellings experienced the most significant rate of change, increasing by 133.3%, compared to a 23.3% increase at the Local Authority level. It's noted this significant increase may be a result of the relatively small starting base. There was no growth in one- and two-room dwellings in Exbourne compared to growth seen at the local level. The number of five-room dwellings decreased by 25% in Exbourne, compared to the modest growth of 3.4% seen in West Devon. Four-room dwellings experienced a lower rate of growth in Exbourne compared to rate at the local level. The growth in six-room dwellings in Exbourne is comparable to the rate seen in West Devon. The number of dwellings with seven or more rooms in Exbourne grew at a higher rate compared to the local level, indicating a growing demand for much larger properties in Exbourne.

173. Looking at size in terms of the number of bedrooms, data shows that three-bedroom dwellings are the most prevalent house size in Exbourne, in line with the findings at the local and national levels. Four-bedroom dwellings are the next most popular size in Exbourne, contrasting West Devon and England where two-bedroom dwellings are more popular.

Exbourne has a slightly higher proportion of five or more-bedroom properties compared to West Devon, almost double the proportion found in England. Reflecting this, the number of one bedroom properties in Exbourne is lower than that found at the local and national level.

174. In terms of demographics, the analysis suggests Exbourne has a relatively older population when compared to West Devon. The 45-64 age band is the largest single age group, followed closely by the 65-84 age group. Exbourne has lower proportions in the 0-15, 16-24 and 25-44 age bands compared to West Devon. Exbourne also has a lower proportion in the 85 and over age band compared to West Devon, at a level more comparable with the national average.

175. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 Exbourne's population has experienced growth in all but two age groups (0-15 and 25-44). These age groups experienced a decline in both the neighbourhood and local level, although the rate of decline was much greater in Exbourne. In Exbourne, the 16-24 age group experienced the largest rate of growth, at a significantly higher rate than local and national levels, followed by the 65-84 and 45-64 age groups. The 85 and over age group also increased in Exbourne, albeit at approximately half the rate of growth seen in West Devon.

176. Exbourne differs from the LPA in that there are less one-person households, however, we see Exbourne has a slightly higher proportion of these households aged 65 and over compared to West Devon. Again, this is true for one family households, where we can see the proportion of those aged 65 and over is higher in Exbourne. The proportion of households with no children is higher in Exbourne. The proportion with dependent children is lower, again mirroring Exbourne's older population.

177. During the intercensal period the proportion of one-person households in Exbourne increased, albeit at a lower rate compared to West Devon. Within this category the proportion of those aged 65 and over actually declined in Exbourne, contrasting the growth see in West Devon. One-person households below the age of 65 have seen a significant increase in Exbourne compared to the rate of change at the local and national level.

178. 'Other household types' experienced a significant percentage growth of 113.3% over the intercensal period. It's caveated that this significant growth may be a consequence of the relatively low starting base. An increase in 'other household types' may indicate a lack of appropriate dwellings i.e. lack of social housing. Those whose needs are better suited to the social tenure may be forced to access rooms within shared dwellings in the private rented sector (supported via housing benefit).

179. The results of the life-stage modelling suggest that the size mix of new housing should focus on dwellings with one to three bedrooms, and suggests less large dwellings are needed. These results align with the preceding chapter which established the need for more affordable homes, which tend to be smaller dwellings.

180. It's noted that this report is concerned with demand in the sense of need rather than in the sense of the preferences of potential occupants. Whilst the analysis suggests there is a need for smaller dwellings, census data indicates a growing demand for much larger properties.

181. We therefore recommend that a broad mix of housing is provided, including all sizes of dwellings. In line with the life-stage modelling, the focus should be on smaller dwellings (especially affordable smaller homes). This would permit older households in larger dwellings to downsize and allow newly forming households to access housing through smaller and more affordable dwellings. However, it's recommended that larger dwellings also continue to be delivered in Exbourne to meet the continuing demand for larger homes in the area.

6. Conclusions

6.1 Overview

182. Table 6-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

Table 6-1: Summary of study findings specific to Exbourne with a potential impact on Neighbourhood Plan housing policies

Issue	Sources (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	AECOM Calculations, Census 2001 and 2011, SHMA, Land Registry PPD, Plymouth and South West Devon Joint Local Plan 2019	Exbourne is characterised by a very high proportion of home ownership, although there are no shared ownership households. The proportion of social rented households is much lower compared to West Devon. Again, the proportion of private rented households is lower, however, the figure is more comparable to that found at local and national levels. The number of households outright owning their homes, increased in Exbourne at a greater rate than that found in West Devon. There was no change in the amount of shared ownership, social rented also remained unchanged, contrasting the growth seen in West Devon. Private rented dwellings increased in Exbourne, albeit at a significantly lower rate than that found at the local and national level. House prices grew by 53.5% over the last decade. Within this, semi-detached properties experienced the largest growth at 37.6%. The purchase threshold is insufficient to all those on mean incomes to access Discounted market sale or Shared Ownership at the 75% and 50% levels. The purchase threshold is more favourable for those on mean incomes when it comes to shared ownership at the 25% level. Social rent appears to be the only affordable tenure for those on lower earnings. Our calculations align with the SHMA which highlights that full-time workers with earnings at the upper quartile level would be unable to purchase an entry-level property in West Devon. Full-time workers with earnings at the lower quartile or mean level would require substantial additional income or a capital sum to deduct from the purchase price to be able to afford a lower quartile property.	It evident that household affordability is an issue in the NA. A strong focus should be placed on delivering more affordable housing, prioritising those in the most urgent need. We estimate 9 households will need affordable housing for rent and 15 households will need affordable housing for sale, representing a split of 37.5% to 62.5%. This split contrasts the SHMA recommended split of 75% social or affordable rent to 25% affordable for sale Given the vast gap between affordable housing need and expected supply, and general unaffordability, we recommend that Exbourne should seek to maintain the SHMA tenure split, prioritising affordable/social rent over intermediate products. In regards to intermediate products, we recommend shared ownership tenure (particularly at the 25%) should be promoted over discounted market sale. The SHMA indicates that annual demand for shared ownership in the region of 37 units per year for West Devon. Exbourne's share over the plan period amounts to 5 dwellings (rounded). This is in below the 15 affordable units we have calculated. It's recommended that these figures be regarded as an aspirational range, not to be given priority over the delivery of more urgently needed affordable housing for rent. Whilst the purchase threshold for discounted market dwellings is insufficient to those on mean incomes, it's recommended there should still be some provision for discounted market homes, introducing a greater degree of choice into the housing options for those able to afford these dwellings.

Housing type and size	AECOM Calculations, ONS 2001-2011, ONS 2011, Valuation Office Agency, SHMA, Housing Market Model, MHCLG 2014- based household projections	Exbourne is characterised by a significantly higher proportion of detached properties. Exbourne also has generally larger properties. Six room dwellings have the greatest share of any other sized dwelling in Exbourne. Three-room dwellings experienced the most significant rate of change, although it is noted this may be a result of the relatively small starting base. The number of dwellings with seven or more rooms in Exbourne grew, indicating a growing demand for much larger properties. Looking at size in terms of bedrooms, three-bedroom dwellings are the most prevalent in Exbourne, in line with the findings at the local and national levels. Four-bedroom dwellings are the next most popular, contrasting West Devon and England where two-bedroom dwellings are more popular. Exbourne has a slightly higher proportion of five or more-bedroom properties, and the number of one-bedroom properties is lower than that found at the local and national level. Exbourne has a relatively older population when compared to West Devon. The 45-64 age band is the largest single age group, followed closely by the 65-84 age group. Exbourne has lower proportions in the 0-15, 16-24 and 25-44 age bands compared to West Devon. Exbourne has a lower proportion in the 85 and over age band compared to West Devon, at a level more comparable with the national average. Exbourne's population has experienced growth in all but two age groups (0-15 and 25-44) between 2001 and 2011. These age groups experienced a decline in both the neighbourhood and local level, although the rate of decline was much greater in Exbourne. In Exbourne, the 16-24 age group experienced the largest rate of growth, at a significantly higher rate than local and national levels, followed by the 65-84 and 45-64 age groups. The 85 and over age group also increased in Exbourne, albeit at approximately half the rate of growth seen in West Devon. Exbourne has a lower proportion of one-person households and one family households than West Devon, however, a slightly higher proportion of these households are aged 65 and over. The proportion of households with no children is higher in Exbourne. The proportion with dependent children is lower, again mirroring Exbourne's older population. The proportion of one-person households in Exbourne increased, albeit at a lower rate compared to West Devon. Within this category the proportion of those aged 65 and over declined. Whereas, one-person households below the age of 65 seen a significant increase. 'Other household types' experienced a significant percentage growth of 113.3%, however, it's caveated that this may be a consequence of the relatively low starting base. An increase in 'other household types' may indicate a lack of appropriate households i.e. lack of social housing.	The results of the life-stage modelling suggest that the size mix of new housing should focus on dwellings with one to three bedrooms, and suggests a lower need for large dwellings. These results align with the preceding chapter which established the need for more affordable homes, which tend to be smaller dwellings. Exbourne appears to have an adequate number of bungalows. However, there may be a need to provide more two-bedroom bungalows, which in turn could meet the needs of older people who wish to downsize. Whilst the analysis suggests there is a need for smaller dwellings, census data indicates a growing demand for much larger properties. We therefore recommend that a broad mix of housing is provided, including all sizes of dwellings. In line with the life-stage modelling, the focus should be on smaller dwellings (especially affordable smaller homes). This would permit older households in larger dwellings to downsize and allow newly forming households to access housing through smaller and more affordable dwellings. However, it's recommended that larger dwellings also continue to be delivered in Exbourne to meet the continuing demand for larger homes in the area.

6.2 Recommendations for next steps

183. This Neighbourhood Plan housing needs assessment aims to provide Exbourne 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 West Devon with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular the following: Condition A, namely that the Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of West Devon – in particular in relation to the quantity of housing that should be planned for;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents;
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by West Devon, including but not limited to the Strategic Housing Land Availability Assessment (SHLAA);
- The recommendations and findings of this study; and
- The impact of the Government's Standard Methodology on calculating housing need for West Devon and the neighbourhood plan areas within it.

184. 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.

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

186. 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.

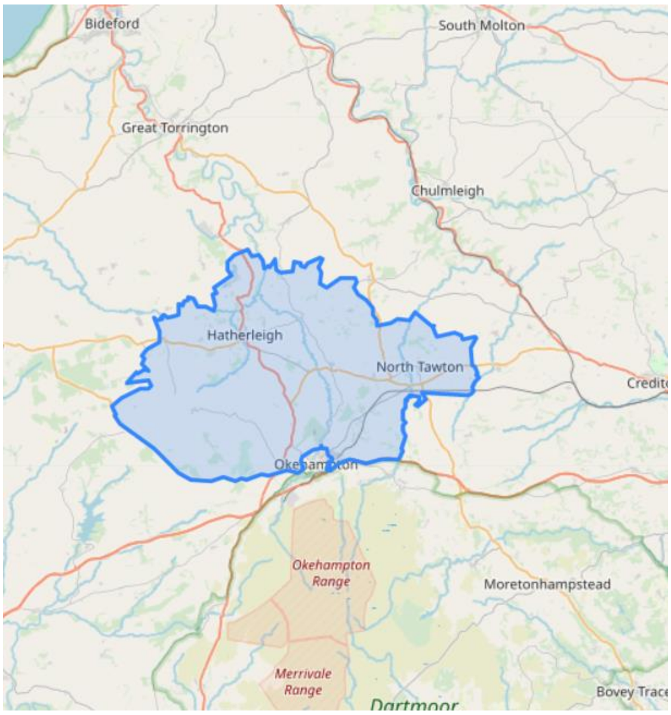
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

187. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Plan area. Such data is available at MSOA level but not at the level of neighbourhood plan areas.

188. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Exbourne, it is considered that MSOA West Devon 001 (E02004229) is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of West Devon 001 appears below in Figure 6-1. This MSOA was chosen as it overlaps with the extent of the Neighbourhood Plan area.

Figure 6-1: MSOA E02004229 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

189. Market dwellings are accessible to people on higher incomes. Choices in the housing market are driven principally by spending power, life stage, and personal taste.

190. The operation of the housing market is, in most circumstances, the best means of addressing the demand for different types of housing for sale. For this reason, it is important that planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand, because this is the principal way equilibrium is achieved in the market and thus house price growth kept in check.

191. In this sense, the notion of development viability is essential. It is important not to deter development in the context of clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.

192. To determine affordability in market housing, the 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

193. 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.

194. To produce a more accurate assessment of affordability, both the savings available for a deposit and the equity in the home from which the buyer is moving (if not a first-time buyer) should be taken into account. However, this data is not available for Exbourne. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.

195. The value of an entry-level dwelling is considered the best representation of the segment of market housing most likely to be accessible to those on lower incomes.[28] The value of an entry level dwelling used here is the lower quartile average house price from sales data from Land Registry over the year 2018.

196. The calculation is therefore:

- Value of an 'entry level dwelling' = £286,250;
- Purchase deposit = £28,625 @10% of value;
- Value of dwelling for mortgage purposes = £257,625;
- Loan to income ratio = value of dwelling for mortgage purposes divided by 3.5;
- **Purchase threshold = £73,607.**

ii) Private Rented Sector (PRS)

197. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rented property if rent does not exceed 35% of gross household income. The property website home.co.uk shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the EX20 postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

Entry-level Market Rent

198. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,[29] such a home would require three habitable rooms (a flat or house with two bedrooms).

199. According to home.co.uk, there is seven two-bed properties currently listed for rent across EX20, with an average price of £620 per calendar month.

200. It is possible to derive from this data the estimated income threshold for entry-level private rental sector dwellings in the Neighbourhood Plan area; the calculation is therefore:

- Annual rent = £620 x 12 = £7,443;
- Multiplied by 2.86 (so that no more than 35% of income is spent on rent) = £21,266;
- **Income threshold (entry-level rental) = £21,266.**

201. The NPPF 2018 acknowledges that build-to-rent dwellings have a role to play in providing affordable market homes and may meet affordable housing need where they include a component of affordable private rent.

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

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

Average Market Rent

202. According to home.co.uk, there is a total of 43 properties currently listed for rent across EX20, with an average price of £748 per calendar month.

203. It is possible to derive from this data the estimated income threshold for private rental sector dwellings in the Neighbourhood Plan area; the calculation is therefore:

- Annual rent = £748 x 12 = £8,976;
- Multiplied by 2.86 (so that no more than 35% of income is spent on rent) = £25,644;
- **Income threshold (private rental sector) = £25,644.**

A.3 Affordable Housing

204. There are a range of tenures that constitute the definition of Affordable Housing within the 2018 NPPF: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership.

205. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more households, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.

206. We consider each of the affordable housing tenures in turn.

i) Social rent

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

208. 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 Exbourne. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for West Devon in the table below.

209. To determine the income needed, it is assumed that no more than 35% of income should be spent on rent.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£79	£91	£102	£121	£91
Annual average	£4,084	£4,718	£5,303	£6,306	£4,730
Income needed	£11,667	£13,481	£15,152	£18,016	£15,513

Source: Homes England, AECOM Calculations

ii) Affordable rent

210. Affordable rent is controlled at no more than 80% of the local market rent. As demonstrated in this report, the annual entry-level rent in Exbourne is £7,443. In the event of a 20% reduction in rent to £5,955, the income threshold would reduce to an estimated **£17,013**. 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). Even an 80% discount on the market rent may not be sufficient to ensure that households can afford it, particularly when they are dependent on benefits. RPs 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%.

iii) Intermediate tenures

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

Discounted market sale

212. In paragraph 64 of the NPPF 2019, the Government introduces a recommendation that *"where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership".*

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

214. To provide a conservative assessment of the suitability of discounted market sale homes, it is appropriate to apply the value we have estimated for an entry-level dwelling, namely £286,250.

215. Applying a discount of 20% provides an approximate selling price of £229,000. Allowing for a 10% deposit further reduces the value of the property to £206,100. The income threshold at a loan to income ratio of 3.5 is **£58,886**. In practice, developers are likely to price discounted market sale in relation to new build prices. When these are discounted by 20% they may not offer any discount on entry level prices in the existing dwelling stock.

216. The same calculation has been undertaken applying a discount of 30%, producing an income threshold of **£51,525**.

Shared ownership

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

218. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £286,250.[30] 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 income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 35% of the income on rent (as for the income threshold for the private rental sector).

219. A 25% equity share of £286,250 is £71,563, from which a 10% deposit of £7,156 is deducted. The mortgage value of £64,406 (£71,563 - £7,156) is then divided by 3.5. To secure a mortgage of £64,406, an annual income of £18,402 (£64,406 / 3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £214,688. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £5,637 and requires an income of £15,334 (multiplied by 2.86 so that no more than 35% of income is spent on rent). Therefore, an income of around **£33,736** (£18,402 + £15,334) is required to afford a 25% shared equity purchase of an entry-level home.

220. A 50% equity share of £286,250 is £143,125, from which a 10% deposit of £14,313 may be deducted. The mortgage cost of £128,813 (£143,125 - £14,313) is then divided by 3.5. To secure a mortgage of £128,813, an annual income of £36,804 (£128,813 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 50% shared ownership equity, comprising the unsold value of £143,125. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £3,578, requiring an income of £10,223 (multiplied by 2.86 so that no more than 35% of income is spent on rent). Therefore, an annual income of around **£47,026** (£36,804 + £10,223) is required to afford a 50% shared equity purchase of an entry-level home.

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

221. A 75% equity share of £286,250 is £214,688, from which a 10% deposit of £21,469 can be deducted. The mortgage cost of £193,219 (£214,688 - £21,469) is then divided by 3.5. To secure a mortgage of £193,219, an annual income of £55,205 (£193,219 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 25% shared ownership equity, comprising the unsold value of £71,563. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,789, requiring an income of £5,111 (multiplied by 2.86 so that no more than 35% of income is spent on rent). Therefore, an annual income of around **£60,317** (£55,205+ £5,111) is required to afford a 75% shared equity purchase of an entry-level home.

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods[31].

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.

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard[32]

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

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order[33]

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)[34]

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

[32] See https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report
[33] See https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary
[34] See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy new build.

Extra Care Housing or Housing-With-Care

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

First Homes

The Government has proposed to introduce First Homes to provide at least a 30% discount on new market housing for sale.

Fair Share

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years[35], 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

[35] See https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/

will be excluded from NDOs, however. These are minerals and waste development, types of development that, regardless of scale, always need Environmental Impact Assessment, and Nationally Significant Infrastructure Projects.

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing[36]

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bedroomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

A Strategic Housing Market Assessment (SHMA) is a document prepared by one or more local planning authorities to assess their housing needs under the 2012 version of the NPPF, usually across administrative boundaries to encompass the whole

[36] See http://www.housingcare.org/jargon-sheltered-housing.aspx

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.[37]

[37] See http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing