



# The Tivetshalls Housing Needs Assessment (HNA)

March 2021

## Quality information

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## Table of Contents

1.	Executive Summary .....	7
1.1	Suggested policy provisions for new housing .....	7
1.2	Conclusions – tenure and affordability .....	8
1.3	Conclusions – type and size .....	9
2.	Context .....	11
2.1	Local context .....	11
2.2	Planning policy context .....	13
2.2.1	Quantity of housing to provide .....	17
3.	Approach.....	18
3.1	Research Questions .....	18
3.1.1	Tenure and Affordability .....	18
3.1.2	Type and Size.....	18
3.2	Relevant Data .....	18
4.	RQ 1: Tenure, Affordability and the Need for Affordable Housing .....	19
4.1	Introduction.....	19
4.2	Current tenure profile .....	19
4.3	Affordability.....	20
4.3.1	House prices.....	20
4.3.2	Income.....	20
4.3.3	Affordability Thresholds .....	21
4.4	Affordable housing- quantity needed.....	25
4.4.1	Affordable rented housing .....	25
4.4.2	Affordable home ownership .....	26
4.4.3	Affordable Housing policy guidance .....	27
4.5	Conclusions- Tenure and Affordability.....	30
5.	RQ 2: Type and Size .....	32
5.1	Introduction.....	32
5.2	Existing types and sizes.....	32
5.2.1	Background and definitions.....	32
5.2.2	Dwelling type .....	32
5.2.3	Dwelling size.....	33
5.3	Age and household composition .....	34
5.3.1	Age structure .....	34
5.3.2	Household composition.....	35
5.4	Suggested future dwelling size mix .....	36
5.5	Conclusions- Type and Size .....	38
6.	Conclusions .....	40
6.1	Overview .....	40
6.2	Recommendations for next steps.....	41
	Appendix A : Calculation of affordability thresholds.....	43
A.1	Income data geography .....	43
A.2	Market housing .....	43
i)	Market sales .....	43
ii)	Private Rented Sector (PRS) .....	44
A.3	Affordable Housing .....	45
i)	Social rent.....	45
ii)	Affordable rent .....	45

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The Tivetshalls Neighbourhood Plan Housing Needs Assessment

	5
iii) Affordable home ownership .....	46
Appendix B : Housing Needs Assessment Glossary .....	48

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

HNA	Housing Needs Assessment
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person (head of household)
LPA	Local Planning Authority
LTHPD	Long-Term Health Problem or Disability
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
RQ	Research Question
SHMA	Strategic Housing Market Assessment
SNC	South Norfolk Council
VOA	Valuation Office Agency

# 1. Executive Summary

## 1.1 Suggested policy provisions for new housing

### Scale of housing delivery

1. South Norfolk Council (SNC) classifies The Tivetshalls as a village cluster – the lowest tier of the settlement hierarchy. In village clusters, housing delivery within existing development boundaries is generally acceptable as long as this does not impact the existing scale and character of the settlement.
2. Guidance on housing targets and allocations within the village clusters is anticipated in Spring 2021. It is currently understood that each cluster may be expected to accommodate around 25 new homes to 2038, though this remains unconfirmed and there may be flexibility to reflect the suitability of locations and the availability of sites.
3. What scale of new development is best suited or most likely in The Tivetshalls is beyond the scope of this Housing Needs Assessment (HNA). However, it does make a number of recommendations for what types of housing would best meet local needs, whether this comes forward on a larger site meeting the majority of the parish requirement or a continuation of the gradual 'windfall' development of smaller infill sites. The key findings that may be used as a starting point for housing policy in the Neighbourhood Plan, are summarised below.

### Policy options

4. There is found to be no justification for The Tivetshalls to depart from the Greater Norwich Local Plan (GNLP) requirement that 33% of new housing on sites of 10 or more homes should be affordable.
5. However, the evidence suggests that most Affordable Housing delivered in the parish should take the form of products providing an affordable route to home ownership, rather than social or affordable rent. The HNA recommends a headline split of 75% routes to ownership and 25% affordable rented tenures.
6. This is justified by the expectation of growing demand for affordable ownership products from the large cohort of local households who can afford to rent but cannot afford to buy, and of minimal current or future need for affordable rented housing.
7. The major affordable ownership options appear able to bring ownership within reach of average and some below-average earners. If all of these products (First Homes, shared ownership and rent to buy) are available locally, there would be value to seeking equal proportions of them in the mix.
8. The remaining Affordable Housing would provide affordable or social rented homes for those on the lowest incomes with no other options. While this group certainly exists in the parish and has more acute needs, it is not expected to expand in the immediate future.
9. As a hypothetical example, if a single site of 25 new homes came forward in The Tivetshalls, the tenure mix of housing as recommended by the HNA would be as follows:
  - 17 units of market housing
  - 8 units of Affordable Housing (33% of 25 units, rounded), of which:
    - 2 units of affordable/social rent
    - 6 units of affordable routes to home ownership, of which:
      - 2 units of First Homes
      - 2 units of shared ownership (ideally at 40% equity share or below, in order to reach a lower-earning group than the First Homes)
      - 2 units of rent to buy
10. Note that it may not be necessary for a Neighbourhood Plan policy on this topic to be so prescriptive or granular as to specify the exact proportion of each tenure product. A headline split between affordable renting and ownership would likely be sufficient.
11. The HNA also puts forward a target size mix of new housing (in terms of the number of bedrooms) to meet the needs of the parish's changing demographics. This mix can be adjusted in light of other findings, namely: the clear affordability challenge (warranting more smaller homes) and the relative lack of larger options for families

(corroborating the perceptions of the Steering Group). In light of those factors, a recommended mix is put forward below:

- 10% 1 bedroom
  - 30% 2 bedroom
  - 25% 3 bedroom
  - 35% 4+ bedroom
12. This mix may be further tweaked in light of primary evidence from community consultation, or made simpler still – for example by restricting the number of 3 bedroom homes to less than a third or a quarter of any new development.
  13. The mix of housing types is less a matter of need than wealth and taste, but the HNA affordability analysis and The Tivetshalls' relatively unbalanced existing stock would justify promoting more dense and affordable types such as terraces and maisonettes.
  14. Further detail on the above recommendations, along with commentary on findings that are less likely to have a direct influence on policy, are provided below.

## 1.2 Conclusions – tenure and affordability

### Affordability issues and tenure options

1. Housing in The Tivetshalls is primarily owned, though there are slightly higher rates of social rent and shared ownership than South Norfolk, and less private renting. New development since 2011 has been exclusively market housing (for purchase and/or rent), and the number of renting households increased by a third between 2001 and 2011. Though less pronounced than the national trend, this is a clear signal of the declining affordability of home ownership, which is confirmed in the house price data. The average home value in The Tivetshalls was 70% higher in 2020 than it was in 2011. The median value currently sits at £245,000.
2. The annual income required to afford various tenures of housing in the parish has been estimated. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in the area of The Tivetshalls is £45,500 and the lower quartile income (per person) for South Norfolk is £13,346.
3. It was found that a household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home in the parish. This further demonstrates that home ownership through the mainstream market is not an option for the majority of local people.
4. Private renting is affordable for households on average incomes but only the smallest and least expensive properties would be accessible to those with two lower quartile earners. Any household earning below this level – particularly those with just one earner – are likely to need affordable rented housing.
5. Broadly speaking, anyone earning between £26,000 and £61,200 can probably afford to rent but not to buy. These households may benefit from affordable home ownership options such as shared ownership, discounted market housing (including the Government's new First Homes product) and rent to buy.
6. First Homes are set to be introduced in 2021 with a discount of at least 30% on market prices. A discount of 28% on median parish prices would be enough to bring them within reach of average earners locally, meaning that this is likely to be a valuable new product. Shared ownership at low equity shares and rent to buy are even more affordable and would help to accommodate a bigger group of below-average earners.

### Quantity of Affordable Housing needed

7. It is possible to estimate the quantity of Affordable Housing needed in the parish during the Plan period. This study includes two such calculations. The first estimates the need for affordable rented housing and the second considers the potential demand for the affordable home ownership products considered above.
8. The estimate for affordable rented housing finds that there is little or no long-term need for such housing in The Tivetshalls. There is no current backlog of need, and turnover in the existing stock as households vacate social rented homes for whatever reason is expected to be able to satisfy any newly arising need. While it may still be beneficial to provide some new affordable rented housing to fill any size or location gaps, and to provide security in case economic



circumstances change, it is not clear that The Tivetshalls is an appropriate location in terms of access to amenities and public transport.

9. Turning to Affordable Housing providing a route to home ownership, we estimate that around 11 households may be interested in such products over the Neighbourhood Plan period. It is important to keep in mind that the households identified in this estimate are, by and large, able to be adequately housed in the private rented sector. They may simply prefer to buy rather than rent.

#### **Policy considerations**

10. The Neighbourhood Plan may seek to influence the mix of tenures within any Affordable Housing that comes forward in future.
11. As noted above, it is estimated that The Tivetshalls has limited long-term need for affordable rented housing but a modest amount of potential demand for affordable home ownership. This evidence suggests that within Affordable Housing, products providing a route to ownership should be prioritised over affordable rented housing.
12. We propose an indicative Affordable Housing mix of 75% routes to ownership and 25% rented housing, with the routes to ownership roughly equally divided between First Homes (or equivalent discounted market housing if this product is not formalized), shared ownership, and rent to buy.
13. It bears repeating that because of its size and limited range of services (particularly public transport) The Tivetshalls may not be considered by SNC as a suitable location for new affordable rented accommodation. This question is beyond the scope of this study and is best answered through direct engagement with SNC. The calculations and recommendations presented here are based on the potential need for Affordable Housing, unconstrained by limiting factors such as the sustainability of the settlement, infrastructure capacity or the availability of suitable land.

## **1.3 Conclusions – type and size**

#### **The existing stock**

14. The stock of housing in The Tivetshalls is weighted heavily towards detached and semi-detached types, with only 8% of homes not falling into one of these categories. While the proportion of detached homes is similar to that across South Norfolk, the parish has far fewer terraced homes and only 6 flats. There is, however, a healthy quantity of bungalows, suggesting that there is no undersupply of this type favoured by older households.
15. 3 bedroom homes are by far the dominant size category in the Tivetshalls. The stock is skewed towards medium sized homes, with relatively few opportunities for larger families and young people to take up larger and smaller homes.
16. Thinking about this information alone, it would be advantageous to diversify the stock with an injection of smaller properties in the form of denser types, such as 2 bedroom terraces or maisonettes (assuming these can be designed in accordance with the existing character of the village), as well as some larger family-sized options.

#### **Demographics**

17. The Office for National Statistics (ONS) mid-2019 population estimate for The Tivetshalls parish is 598 people, indicating very little change from the 2011 Census despite the completion of 19 new homes since then.
18. The age structure of the population is a key indicator of the future need for housing. As of 2019 The Tivetshalls has a population dominated by those aged 45-84, though a relatively significant number of children remain. The overriding change since 2011 is the ageing of the population, with particular growth in the 65-84 population while all age groups except children have contracted.
19. Today's large 45-84 cohort (roughly 53% of the total) is likely to produce an older population in 2042 that may have different housing needs than it does at present. Applying South Norfolk household projections to The Tivetshalls population suggests that by 2042 the 65+ group could nearly double (compared with 2011 levels) to become by far the dominant group, while all other age groups grow much more slowly.
20. Whether they intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving support needs, the requirements of older people will become increasingly important.
21. It is also worth noting that there was a considerable number of non-dependent adult children living in the parental home in 2011. It may be assumed that some of these individuals were living with parents due to a lack of affordable

options rather than by choice. Given that there are still many children resident in The Tivetshalls, it would be prudent to prepare for the time that they may wish to form their own independent households by encouraging the development of smaller, more affordable options.

#### **The future dwelling mix**

22. The results of a life-stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the Plan period in order to understand what should be built, suggests that new development should be well-balanced, with similar numbers of 2, 3 and 4 bedroom homes, some 1 bedroom homes, and a small proportion of very large homes.
23. This dwelling mix would help to accommodate any unmet demand for smaller properties to which older households may wish to downsize, in the process vacating larger houses that might then be occupied by families. An emphasis on smaller homes should also help to accommodate younger people and children of residents who are currently not well served by housing options in the area. For more than a quarter of new homes to have 4 or more bedrooms should also help to accommodate growing families who have relatively limited options at present.
24. This finding should be approached as a starting point for policy development and viewed alongside qualitative evidence about the desires of local people and the community's wider objectives, for instance around character and design. It is also relevant to consider the impact of trends such as increased homeworking as a result of the Covid-19 pandemic, which together with The Tivetshalls' high level of broadband connectivity, could warrant the supply of homes with more rooms and more flexible spaces. An indicative proposal for this is provided at the start of the Executive Summary.
25. This study does not provide a target state for the mix of housing types in The Tivetshalls, since type is more a matter of wealth, taste and other factors than need in the strict sense. House type is also not so clearly correlated with life stage as house size, which was used to estimate the target size mix above. However, given the findings on affordability, it may be beneficial to plan for more of the lower cost types that are currently absent, such as terraces and maisonettes.

## 2. Context

### 2.1 Local context

26. The Tivetshalls is a Neighbourhood Plan Area (NA) located in the District of South Norfolk. The NA boundary aligns exactly with the existing boundary of the parish of The Tivetshalls (formerly two parishes of Tivetshall St Mary and Tivetshall St Margaret).
27. The parish is predominately rural, with development concentrated in linear fashion along The Street / Rectory Road and on School Road where the two villages are joined. The built environment exhibits a clear historical development, with historic farm workers cottages gradually added to over time, particularly with new bungalows and social housing in the 1950s and 1960s, and further infill development since then. The Tivetshalls offers relatively limited amenities, though there is a primary school, Village Hall and two pubs.
28. The A140 (Norwich Road) connecting Norwich to the north to Ipswich to the south bounds the parish on its eastern side, providing good connectivity to those major settlements, although Norwich remains more than 15 miles away. The nearest towns are Diss and Harleston.
29. The proposed Neighbourhood Plan period extends to 2042 and is expected to begin in 2022, therefore comprising a planning period of 20 years. The evidence supplied in this report will look forward to the Plan end date of 2042. When tallying totals for the entire period, it will assume a period of 20 years but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan start date changes.
30. The draft vision for the Neighbourhood Plan is as follows:

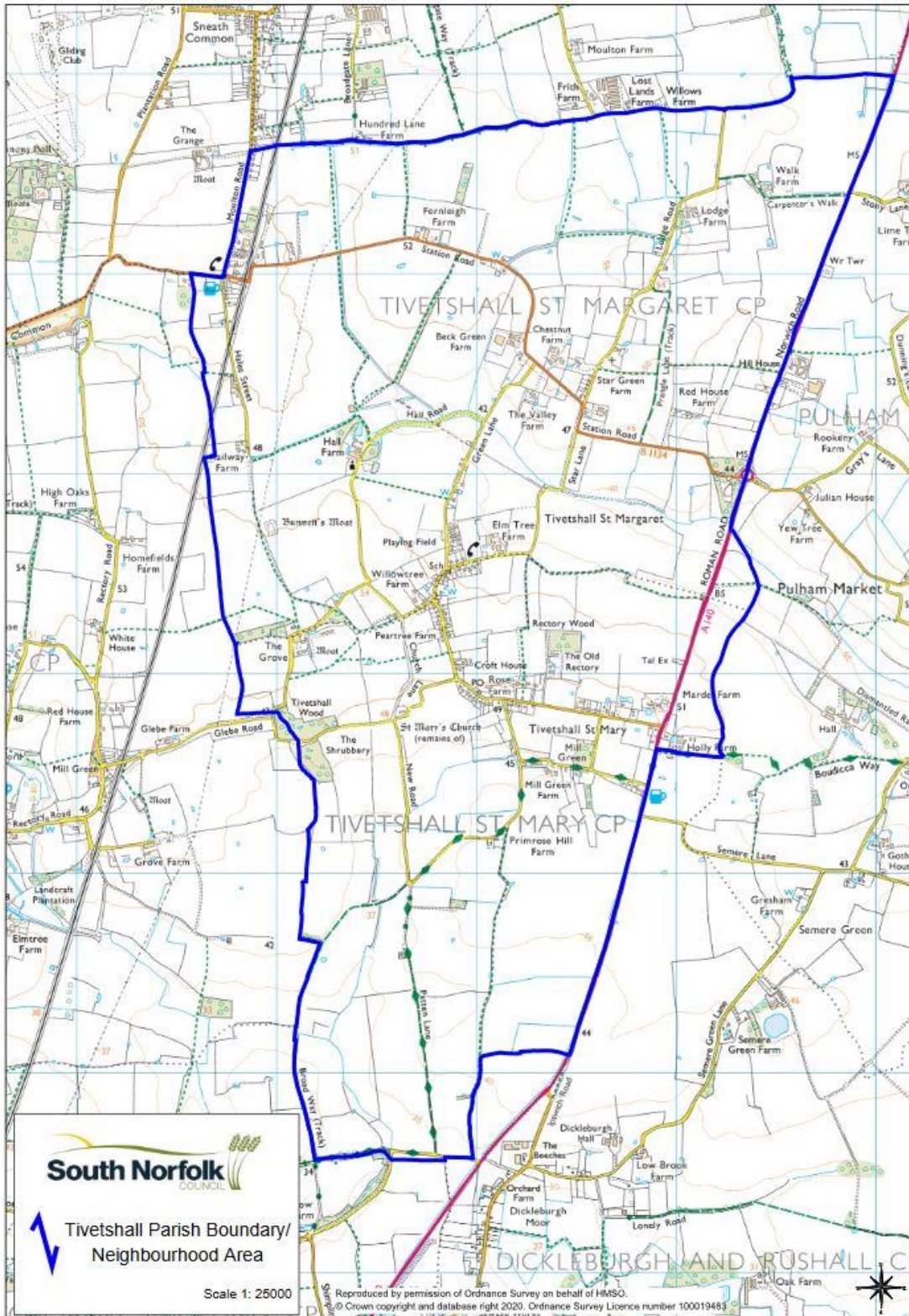
*Tivetshall parish will be a community with a range of housing types and tenures to suit all ages, supported by good village amenities. Development will be sustainable, appropriately located, be well designed and fit within the linear character of the parish, whilst ensuring the protection of green spaces, the natural environment and local heritage. The Tivetshalls will continue to be a desirable place to live, work and visit for current and future generations.*

31. For Census purposes, the country is divided into statistical units called Output Areas (OAs). The Tivetshalls is composed of two OAs, each aligning with one of the parish boundaries. These are OA 33UHHD0008 (St Margaret) and OA 33UHHD0009 (St Mary).
32. A map of the designated area appears overleaf in Figure 2-1, along with the Census boundary used for data collection in Figure 2-2.

#### **Headline population and housing statistics**

33. The statistics show that in the 2011 Census The Tivetshalls had a total of 591 residents, formed into 246 households, across 249 dwellings.
34. The Office for National Statistics (ONS) produces mid-year population estimates for parish throughout the country. The mid-2019 population estimate for The Tivetshalls is 598, indicating extremely little change since 2011.
35. South Norfolk Council (SNC) completions data show that there have been 19 new homes built in the parish since 2011. Assuming the average household size in The Tivetshalls from the 2011 Census of 2.4 persists, it would be reasonable to assume that there could be an additional 46 people living in the parish today (19 new homes x 2.4 people per household). That said, the ageing of the population may have resulted in more of the existing homes being occupied by fewer people, balancing out the impact of the new development.
36. This more recent data on the population, its age distribution, and the size breakdown of new housing will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the size, type and tenure of dwellings, cannot be accurately be brought up to date. Such patterns are instead assumed to persist to the present day.

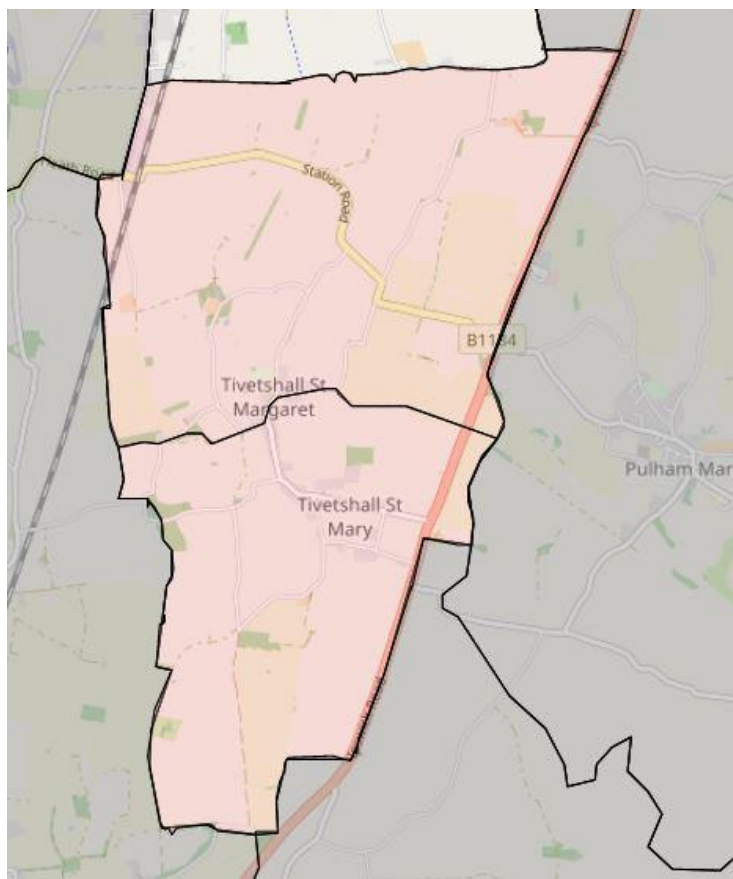
Figure 2-1: Map of The Tivetshalls designated Neighbourhood Plan Area<sup>1</sup>



Source: South Norfolk District Council

<sup>1</sup> Available at <https://www.south-norfolk.gov.uk/residents/planning-and-building/planning-policy/neighbourhood-plans/tivetshall-neighbourhood-plan>

Figure 2-2: Census map of The Tivetshalls



Source: Nomis

## 2.2 Planning policy context

37. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.<sup>2</sup> Those having relevance to housing are reviewed here, along with policies that are likely to be adopted in the near future.
38. The planning policy context for South Norfolk consists of the adopted South Norfolk Local Plan and the emerging Greater Norwich Local Plan.
39. The adopted South Norfolk Local Plan is composed of various documents. These are:
  - The Joint Core Strategy (JCS), adopted March 2011, which sets out an overall strategy for growth for South Norfolk and its neighbouring districts. It was produced by SNC together with Broadland District Council, Norwich City Council and Norfolk County Council under the umbrella of the Greater Norwich Development Partnership. Amendments applying primarily to Broadland District were adopted January 2014.
  - The Development Management Policies Document (DMPD), adopted October 2015, which is used to assess specific development proposals;
  - The Site Specific Allocations and Policies Document (SSAPD), adopted October 2015, which designates land for housing, employment and other uses; and
  - Area Action Plans for Wymondham and Long Stratton, adopted October 2015 and May 2016 respectively.
  - There are also a number of Supplementary Planning Documents (SPDs), adopted at various times, such as the Place-Making Guide (adopted 2012).

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

40. The emerging Greater Norwich Local Plan (GNLP) will set out the strategy for development across South Norfolk, Broadland and Norwich to 2038. It will include strategic planning policies and allocate sites for development.
41. A Regulation 18 consultation on the draft GNLP was completed in March 2020. Following this, a pre-submission draft has now been prepared. This draft has been published, and is currently out for the next stage of public consultation (Regulation 19, concerning its soundness and legal compliance), which will conclude on 22 March 2021.
42. Because the GNLP covers a wide area and South Norfolk has a particularly rural character, SNC is carrying out further work to identify housing sites to meet a target of 1,200 new homes in appropriate rural villages. This will be published as a separate South Norfolk Village Clusters Housing Site Allocations document. This is currently at an early stage of preparation, and is expected to go out for consultation in April/May 2021 and to be finalised as part of the made Local Plan 2022. The Tivetshalls is listed as its own cluster, numbered cluster 42.
43. The tables below summarise policies from the adopted and emerging Local Plans that are relevant to housing needs in The Tivetshalls. Note that only housing allocation policies in the GNLP, and not those in the SSAPD, are included below.

**Table 2-3: Summary of relevant South Norfolk adopted policies<sup>3</sup>**

<b>Policy</b>	<b>Provisions</b>
JCS Policy 4: Housing delivery	<p>Allocations will be made to deliver at least 36,820 new homes between 2008 and 2026. The supporting text breaks down this total by district area. For the part of South Norfolk outside of the Norwich Policy Area (where the parish is located), this equates to:</p> <ul style="list-style-type: none"> <li>• 1,328 current commitments (2008).</li> <li>• 1,040-1,580 new allocations (to 2026).</li> <li>• 2,368-2,908 new commitments (to 2026).</li> <li>• A total of 4,736-5,816.</li> </ul> <p>Development proposals are required to create balanced communities and meet the needs of the area as set out in the most up to date housing needs evidence.</p> <p>A proportion of Affordable Housing and an appropriate tenure mix will be sought on all sites for 5 or more dwellings (or 0.2 ha or larger). The precise proportion sought will be based on the latest housing needs evidence, subject to viability. At JCS adoption, the proportion of new housing required to be affordable was as follows:</p> <ul style="list-style-type: none"> <li>• 20% on sites for 5-9 dwellings (or 0.2-0.4ha).</li> <li>• 30% on sites for 10-15 dwellings (or 0.4-0.6ha).</li> <li>• 33% on sites for 16 or more dwellings (or over 0.6ha), with an approximate target of 85% social rent and 15% intermediate tenures within the affordable mix.</li> </ul> <p>In appropriate locations, sites that would otherwise not be released for development may be considered for schemes that meet an identified local need for Affordable Housing in perpetuity. The supporting text states that the requirement for Affordable Housing 2008-2026 is estimated to be 11,860 (which equates to around 33% of the overall requirement).</p> <p>It also identifies a long-term tenure mix of around 60% social rent to 40% intermediate tenures within the affordable mix.</p> <p>Mixed tenure housing with care will be required in highly accessible locations. Examples include Norwich and the major growth locations. The Tivetshalls is not listed.</p>

<sup>3</sup> JCS available at: [https://www.south-norfolk.gov.uk/sites/default/files/JCS\\_Adopted\\_Version\\_Jan\\_2014.pdf](https://www.south-norfolk.gov.uk/sites/default/files/JCS_Adopted_Version_Jan_2014.pdf);

DMPD available at: [https://www.south-norfolk.gov.uk/sites/default/files/Development\\_Management\\_Policies\\_Document\\_0.pdf](https://www.south-norfolk.gov.uk/sites/default/files/Development_Management_Policies_Document_0.pdf);

SSAPD extracts for The Tivetshalls available at: [https://www.south-norfolk.gov.uk/sites/default/files/SSAPD\\_Sections\\_6-7\\_Other\\_Villages\\_Smaller\\_Rural\\_Communities.pdf](https://www.south-norfolk.gov.uk/sites/default/files/SSAPD_Sections_6-7_Other_Villages_Smaller_Rural_Communities.pdf).

Policy	Provisions
JCS Policy 16: Other villages	<p>The supporting text to Policies 9 to 19 outlines the settlement hierarchy for the scale and distribution of growth. In descending order of suitability for development, the hierarchy is as follows:</p> <ul style="list-style-type: none"> <li>• The Norwich urban area</li> <li>• Main towns</li> <li>• Key service centres</li> <li>• Service villages</li> <li>• Other villages</li> </ul> <p>Tivetshall St Margaret and Tivetshall St Mary are listed as other villages. As such, they “will have defined development boundaries to accommodate infill or small groups of dwellings and small-scale business or services, subject to form and character considerations”.</p> <p>The supporting text says that such villages “have few or no local services, and would not provide a sustainable location for significant new development. Such places are very reliant on the services of larger centres for their everyday needs, and new development would not necessarily help to retain or attract services due to the ever increasing population thresholds required to support them. While significant expansion would be unsustainable, and no allocations are proposed, some of those places with basic essential services would be capable of accommodating very limited windfall infill development without affecting the form and character of the villages. Housing to provide for local needs may also be suitable.”</p> <p>It is also noted that the adopted proposals maps showing settlement limits will be needed for both villages, among others, as part of the SSPDP.</p>
JCS Policy 17: Smaller rural communities and the countryside	<p>In the countryside and villages not identified in the settlement hierarchy, Affordable Housing to meet identified local needs may be permitted in locations adjacent to villages as an exception to general policy. Other development, including the appropriate replacement of existing buildings, will be permitted where it can clearly be demonstrated to further the objectives of the JCS.</p>
DMPD Policy DM 1.3: The sustainable location of new development	<p>Requires that all new development be located on allocated sites or within the development boundaries of settlements, and of a scale proportionate to the level of growth planned in that location.</p> <p>Development in the countryside outside of development boundaries will only be granted if supported in relevant policies or demonstrates overriding economic, social or environmental benefits.</p>
DMPD Policy DM 2.10: Conversion and re-use of buildings in the countryside for non-agricultural use	<p>The conversion of countryside buildings to residential use will only be supported where this does not result in the loss of a farm building suitable for continued use or where its loss would result in the construction of a replacement building. Such buildings should have adequate dimensions to accommodate residential use without the need for major extensions, additional buildings or significant changes in appearance.</p>
DMPD Policy DM 2.11: Agricultural and other occupational dwellings in the countryside	<p>Proposals for development in the countryside to meet the needs of full time agricultural or essential workers may be permitted subject to various conditions.</p>
DMPD Policy DM 3.1: Meeting housing requirements and needs	<p>All housing proposals are expected to contribute to a range of dwellings types and sizes to meet the needs of different households identified in the current Strategic Housing Market Assessment.</p>
DMPD Policy DM 3.2: Meeting rural housing needs	<p>Proposals for affordable housing in the countryside may be supported where they can help meet proven local needs, are well-related to existing development, and remain affordable in perpetuity.</p>

Source: JCS, DMPD

**Table 2-4: Summary of relevant Greater Norwich emerging policies<sup>4</sup>**

Policy	Provisions
GNLP Policy 1: The sustainable growth strategy	<p data-bbox="405 302 1430 383">Allocates sites for a minimum of 49,492 new homes to be delivered in Greater Norwich between 2018 and 2038, thereby exceeding the identified need for 40,550 new homes in the same period.</p> <p data-bbox="405 432 1430 512">The settlement hierarchy presented in the JCS is updated such that the two lowest tiers (service villages and other villages) are grouped together in a new lowest tier: village clusters. The Tivetshalls is now in the village clusters tier, as its own cluster.</p> <p data-bbox="405 557 1430 611">Village clusters are expected to accommodate housing growth of 4,220 between 2018 and 2038, equivalent to a 9% increase and 9% of total housing growth across the districts.</p> <p data-bbox="405 656 1430 734">Proposals for additional windfall housing delivery within settlement boundaries are to be considered acceptable in principle at appropriate scales and locations where they would not have an impact on the existing scale and character of the settlement.</p>
GNLP Policy 5: Homes	<p data-bbox="405 757 1430 810">Residential development should serve all sectors of the community, meet varied and changing needs, and have regard to the latest housing evidence.</p> <p data-bbox="405 855 1430 936">Development sites of 10 or more homes are required to provide 33% Affordable Housing unless allocated for a different percentage in a Neighbourhood Plan or where viability is threatened on brownfield sites.</p> <p data-bbox="405 936 1430 967">Affordable Housing should be provided on-site, except in exceptional circumstances.</p> <p data-bbox="405 967 1430 1048">A mix of Affordable Housing sizes, types and tenures will be expected, taking into account the latest evidence. In line with the NPPF, 10% of affordable homes should be available for affordable home ownership where this meets local needs.</p> <p data-bbox="405 1093 1430 1173">Development proposals providing specialist accommodation for older people and those with support needs are supported on sites with good access to local services. Specialist older people's housing should be 33% affordable.</p> <p data-bbox="405 1173 1430 1263">At least 20% of homes on major development sites should meet Building Regulation M4(2)[1] standards. The supporting text encourages development proposals to consider the need for Building Regulation M4(3) standard homes for wheelchair users.</p>
GNLP Policy 7.4: Village clusters	<p data-bbox="405 1308 1430 1388">Village clusters, including the Tivetshalls, are expected to grow in order to support village services, provide choice for the market and promote delivery of a variety of housing types and tenures. They are based on primary school catchments as a proxy for social sustainability.</p> <p data-bbox="405 1433 1430 1514">Village clusters will provide a minimum of 4,220 homes between 2018 and 2038, and development will be supported in principle on a range of sites within the clusters. A range of dwelling sizes and tenures are expected.</p> <p data-bbox="405 1559 1430 1639">Within South Norfolk allocations will be made through the South Norfolk Village Clusters Housing Allocations Local Plan. This will include sites for a minimum of 1,200 new homes in addition to the 1,392 already committed.</p> <p data-bbox="405 1684 1430 1762">Additional sites may be provided through infill development within settlement boundaries or Affordable Housing led development up to a maximum of 15 dwellings, adjacent or well-related to settlement boundaries with good access to services.</p>

<sup>4</sup> GNLP available at: <https://www.greaternorwichgrowth.org.uk/planning/greater-norwich-local-plan/>.



Policy	Provisions
GNLP Policy 7.5: Small scale windfall housing development	<p>Small scale windfall development will be permitted adjacent to development boundaries or on sites within or adjacent to a recognisable group of dwellings. However, cumulative development is restricted to 3 dwellings or less in small parishes or 5 dwellings in larger parishes (including the Tivetshalls) during the lifetime of the GNLP. The intention is to prevent over development in rural areas.</p> <p>Windfall development should respect the form and character of the settlement and should not adversely impact the natural environment. Positive consideration will be given to custom and self-build proposals.</p>

Source: GNLP Regulation 19 consultation version

### 2.2.1 Quantity of housing to provide

44. The NPPF 2019 (paragraphs 65 and 66) requires Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
45. South Norfolk is expected to fulfil this requirement when it confirms the clustering approach to development in small settlements and the allocations proposed for the GNLP. It is currently understood that each cluster may be expected to bring forward approximately 25 new dwellings during the GNLP period, although this depends on the availability and suitability of sites. The approach for The Tivetshalls is expected to be clarified in April 2021. It is also worth noting that there are existing commitments for windfall housing in the parish in the planning system.
46. For the purpose of this study we will assume that there is potential for up to 25 new homes to come forward in the parish during the Neighbourhood Plan period. That assumption does not imply that this is or is not an appropriate scale for new housing in the Tivetshalls: that question is beyond the scope of this study. The goal of this assessment is to determine what mix of housing tenures, sizes and types would be most appropriate on any development that does arise in future to best meet local needs.
47. Note that the Government's August 2020 consultation proposals for 'Changes to the current planning system' include a temporary measure to lift the small sites threshold above which Affordable Housing is required. This would mean that on sites of up to 40 or 50 units, developers would not need to contribute to Affordable Housing.<sup>5</sup> The purpose of this time-limited change (its duration is currently unknown) would be to support small housebuilders as the economy recovers from the impact of Covid-19.
48. It is highly unlikely that any site larger than 40 units will come forward in The Tivetshalls, so this change could have the effect of limiting Affordable Housing delivery, if any development that does take place occurs within the temporary period. That said, it is expected that this change, if it is introduced at all, will have ended before any development begins – and even potentially before the GNLP and Neighbourhood Plan are adopted, so is not currently cause for concern.
49. In relation to the surrounding area it is worth noting that Long Stratton has planning approval for increasing its housing stock by approximately 800 dwellings and the delivery of a relief road. In the process it will become a town.

<sup>5</sup> Available at: <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system>.

## 3. Approach

### 3.1 Research Questions

50. The following research questions were formulated at the outset of the research through discussion with the Neighbourhood Plan Steering Group. They serve to direct the research and provide the structure for the HNA.

#### 3.1.1 Tenure and Affordability

51. The Steering 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.
52. This evidence will allow The Tivetshalls 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 younger families (who are not currently well served), and as Affordable Housing for those who may be currently priced out of the market, if appropriate.
53. The Steering Group is interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue is provided under the remit of this research question.

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

#### 3.1.2 Type and Size

54. The aim of this research question is to provide the Steering Group with evidence on the types and sizes of new housing needed by the local community. This will help to shape future development so that it better reflects what residents need. It is understood that the existing stock of housing is dominated by mid-sized homes (with 2-3 bedrooms), which poses particular challenges for larger families (particularly those needing affordable options).
55. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock at present and what demographic trends suggest will be appropriate in future.
56. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of wish the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

### 3.2 Relevant Data

57. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level 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:
  - Other Office of National Statistics (ONS) datasets providing more up-to-date information on the population by age;
  - ONS population and household projections for future years;
  - Land Registry data on prices paid for housing within the local market;
  - Rental prices from Rightmove;
  - Local Authority housing waiting list data; and
  - The Central Norfolk Strategic Housing Market Assessment 2017 (SHMA).

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

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

### 4.1 Introduction

58. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the Neighbourhood Area (NA) and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
59. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
60. The definition of Affordable Housing set out in the 2019 NPPF makes clear the Government’s commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently proposed to introduce First Homes to provide at least a 30% discount on new market housing for sale.<sup>6</sup>

### 4.2 Current tenure profile

61. The current tenure profile is a key feature of the parish. Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
62. Table 4-1 below presents data on tenure in The Tivetshalls compared with South Norfolk and England from the 2011 Census, which is the most recent available source of this information. Housing in The Tivetshalls is primarily owned, though there are slightly higher rates of social rent and shared ownership than South Norfolk, and less private renting.
63. SNC data shows that none of the 19 new homes built in the parish since 2011 were Affordable Housing. Because it is not known how many of the new houses are owned or rented, nor how any of the existing housing is now being occupied, this table cannot be brought fully up-to-date. However, it is reasonable to assume that the proportion of homes that are in the mainstream market (to own and rent) is higher now than was the case in 2011.
64. Between the 2001 and 2011 Censuses, the parish experienced a 33.3% increase in private renting. This trend, which reflects a more extreme district- and nationwide pattern (each over 80%), is usually an indicator of the declining affordability of home ownership – either because of rising house prices or stagnating incomes.

**Table 4-1: Tenure (households), The Tivetshalls, 2011**

Tenure	The Tivetshalls	South Norfolk	England
Owned; total	75.6%	74.9%	63.3%
Shared ownership	2.4%	1.0%	0.8%
Social rented; total	12.6%	11.3%	17.7%
Private rented; total	8.1%	11.2%	16.8%

Sources: Census 2011, AECOM Calculations

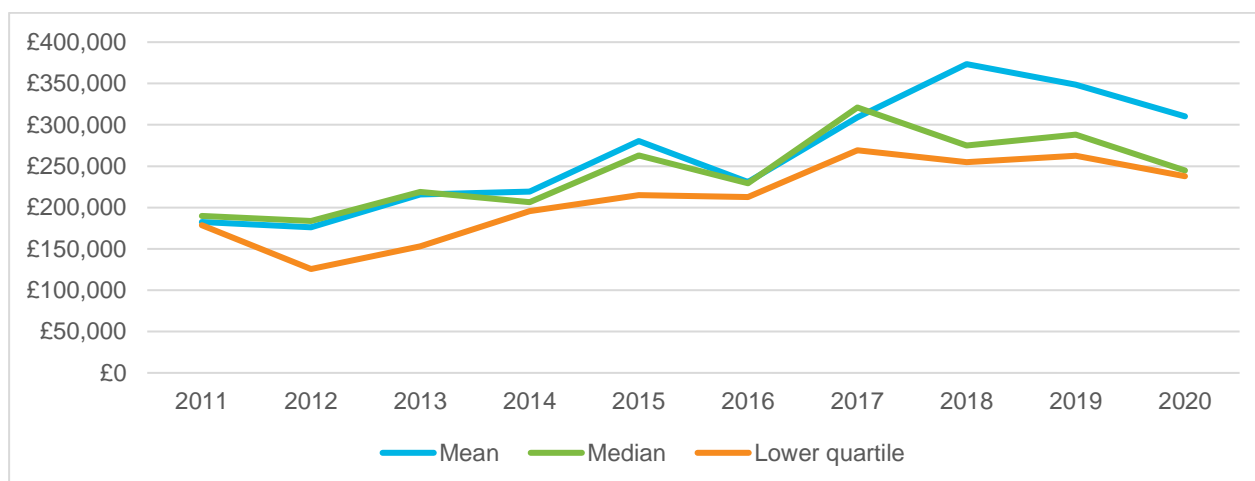
<sup>6</sup> The latest consultation proposals, published in August 2020, state that ‘The minimum discount for First Homes should be 30% from market price which will be set by an independent registered valuer’ and ‘Local authorities will have discretion to increase the discount to 40% or 50%. This would need to be evidenced in the local plan making process.’

## 4.3 Affordability

### 4.3.1 House prices

65. This part of the analysis considers selected measures of house prices in The Tivetshalls. Figure 4-1 shows a clear upward trend in average house prices since 2011, despite regular fluctuation. This apparent volatility is not unusual in small areas where the annual average is strongly skewed by which particular homes happened to be sold in a given year. However, it can be seen that house prices are broadly higher in 2020 than at the start of the decade, even if they are lower than in 2017-18.

**Figure 4-1: House prices by quartile in The Tivetshalls, 2011-2020**



Source: Land Registry Price Paid Data (PPD)

66. Table 4-2 below breaks down house prices by type. The same volatility is present here, making conclusions about the changing value of the different types difficult to draw. Detached homes have appreciated at a similar rate to the overall average (above 70% over the period). Semi-detached homes appear to have increased far slower, but this is a function of the small sample size: if 2019 prices were used to calculate the growth rate it would appear that prices have doubled. The key conclusion here is that home ownership is becoming ever more expensive, with less dense home types commanding higher values. The few terraced homes that have sold over the last ten years are significantly more affordable to first time buyers.

67. More detail on the costs of new and existing housing is provided in Appendix A.

**Table 4-2: House prices by type, The Tivetshalls, 2011-2020**

Type	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Growth
Detached	£190,000	£262,500	£244,714	£235,750	£340,000	£342,500	£410,000	£464,500	£320,333	£329,000	73.2%
Semi-detached	£178,725	£159,167	£165,000	£179,500	£232,590	£244,750	£251,000	£252,083	£362,500	£244,500	36.8%
Terraced		£54,000		£192,000			£143,000				N/A
Flats											N/A
<b>All Types</b>	<b>£182,483</b>	<b>£176,083</b>	<b>£215,727</b>	<b>£219,083</b>	<b>£280,328</b>	<b>£230,900</b>	<b>£308,929</b>	<b>£373,464</b>	<b>£348,625</b>	<b>£310,222</b>	<b>70.0%</b>

Source: Land Registry PPD

### 4.3.2 Income

68. 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 parish:

- The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income before housing costs locally was £45,500 in 2019. This total (gross) income figure is typically used by mortgage lenders to assess a household's ability to afford to borrow.<sup>7</sup> A map showing the area that this figure refers to is provided in Appendix A.
- The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. South Norfolk's gross lower quartile annual earnings were £13,673 in 2019. To estimate the income of households with two lower quartile earners, this figure is doubled to £27,346.

69. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes. The ongoing Covid-19 pandemic may also have impacts on local incomes, with a particular risk of lower incomes or more low-income households than this recent data suggests.

### 4.3.3 Affordability Thresholds

70. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
71. AECOM has determined thresholds for the income required in The Tivetshalls to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed in Appendix A.
72. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income.
73. Table 4-3 overleaf shows the estimated cost of each tenure, the annual income required to support these costs within The Tivetshalls, and whether local incomes are sufficient. The income required column 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 may already hold equity from an existing property.
74. The same information is presented as a graph in Figure 4-2 on a subsequent page.

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<sup>7</sup> 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.

Table 4-3: Affordability thresholds, The Tivetshalls

Tenure	Mortgage Value	Rent	Income required	Affordable on average incomes? £45,500	Affordable on LQ earnings (single earner)? £13,673	Affordable on LQ earnings (2 earners)? £27,346
<b>Market Housing</b>						
Median House Price	£220,500	-	£63,000	No	No	No
LA New Build Mean House Price	£281,605	-	£80,459	No	No	No
Entry-level House Price	£214,200	-	£61,200	No	No	No
Average Market Rent	-	£9,396	£31,320	Yes	No	No
Entry-level Market Rent	-	£7,800	£26,000	Yes	No	Yes
<b>Affordable Home Ownership</b>						
Discounted Market Sale (-20%)	£196,000	-	£50,400	No	No	No
Discounted Market Sale (-30%)	£171,500	-	£44,100	Yes	No	No
Discounted Market Sale (-40%)	£147,000	-	£37,800	Yes	No	No
Discounted Market Sale (-50%)	£122,500	-	£31,500	Yes	No	No
Shared Ownership (50%)	£122,500	£3,063	£41,708	Yes	No	No
Shared Ownership (25%)	£55,125	£4,594	£31,063	Yes	No	No
<b>Affordable Rented Housing</b>						
Affordable Rent	-	£5,773	£23,090	Yes	No	Yes
Social Rent	-	£4,582	£18,327	Yes	No	Yes

Source: AECOM Calculations

75. It is immediately clear that the majority of tenures are not affordable to the average income levels we have compared them to. Note that these are the average and lower quartile incomes, so housing is still likely to be affordable to people earning above the average or who have access to equity from their existing home or other forms of savings (e.g. inheritance).
76. Thinking about housing for market purchase first, it is apparent that a household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home. Home ownership through the mainstream market therefore is not an option for the vast majority of local people.
77. Private renting is affordable for households on average incomes but only the smallest and least expensive properties would be accessible to those with two lower quartile earners. Anyone earning between £26,000 and £61,200 can probably afford to rent but not to buy. These households may benefit from the range of affordable home ownership options, about which the following conclusions can be drawn:
- The products considered here would be accessible only to households on average incomes, and are not a realistic option for lower earners unless they were delivered as smaller, cheaper homes such as 1 or 2 bedroom flats or maisonettes. Otherwise, lower earners will need to be targeted through affordable rented products
  - The affordability thresholds for discounted market sale and shared ownership are calculated from a starting value of £245,000, which was the median house price in the parish in 2020.
  - A 28% discount would be required to bring these homes within reach of the average earning household. This suggests the new First Homes product (providing a minimum discount of 30%) would be a suitable addition to the dwelling mix in the parish. An unrealistic discount of 57% would be needed to widen access to households with two lower earners.
  - Discounted market housing might be more or less affordable in practice depending on whether it is priced by the developer in relation to the overall average price (as assumed here), or in relation to new build prices. There are not enough new build transactions in The Tivetshalls to get a clear picture of their values, but taking South Norfolk averages suggests that if discounts were applied to new build prices instead, these products would be less affordable.

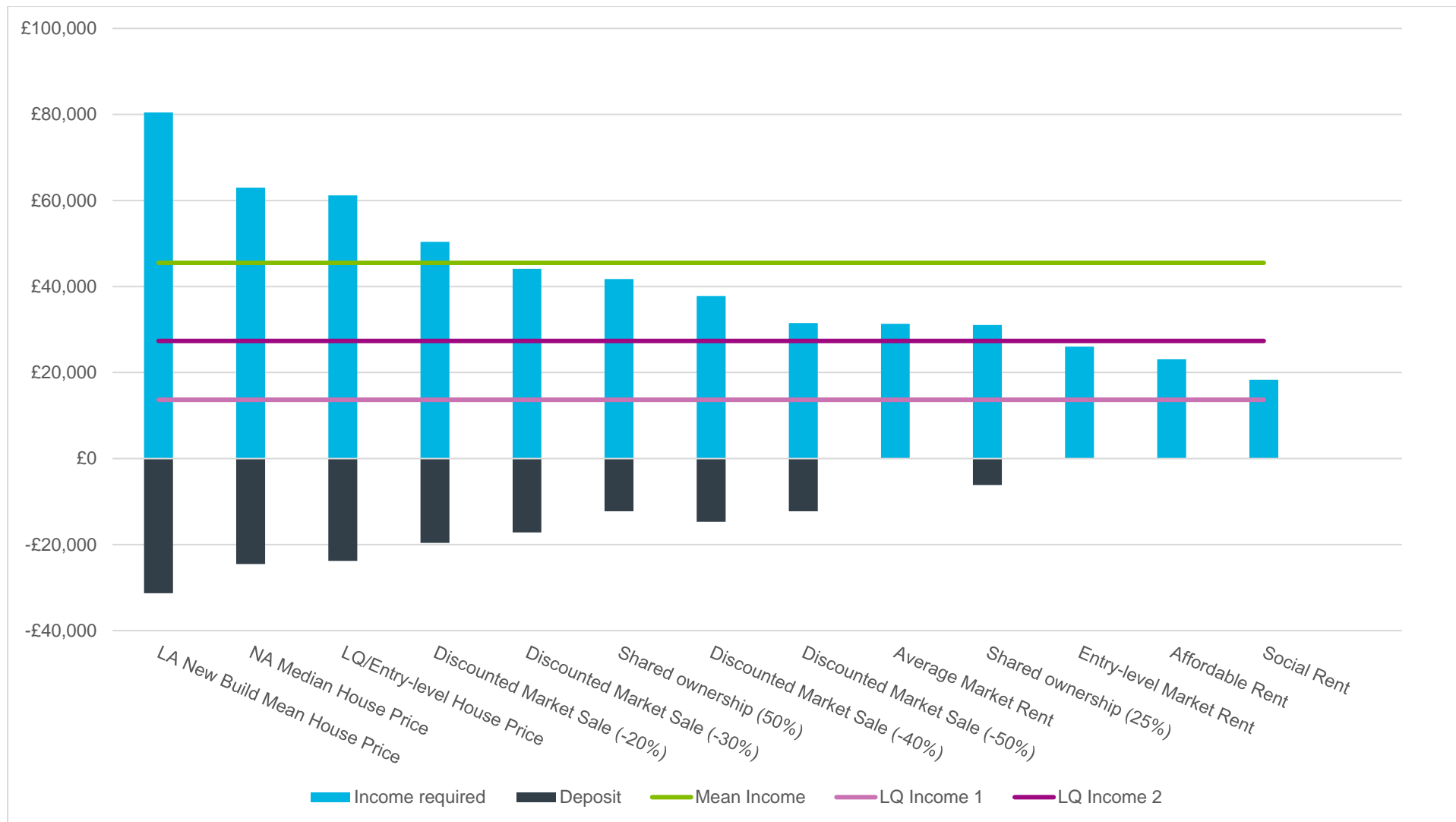
- It should be emphasised that the Neighbourhood Plan is limited in its ability to control or influence level of discount achieved on discounted market sale properties but the Local Planning Authority should have a role here.
  - The income required to access rent to buy is assumed to be the same as that required to afford market rents. At around £26,000 for an entry-level home (though the new build premium might result in higher rents in practice), this is more affordable than discounted market housing or shared ownership. This is therefore the most affordable home ownership tenure for local people if it can be delivered.
78. Affordable rented housing is affordable to households with two lower earners (average earning households are unlikely to be eligible). Households with a single lower appear unable to afford any of the tenures considered. Many such people, if unable to secure a small social rented dwelling or access additional subsidy, may need to live in a room in a shared house using housing benefit. It is understood that few such houses in multiple occupation (HMOs) exist in The Tivetshalls at present.
79. The latest Government consultation proposes that Local Authorities will have discretion to increase the discount on First Homes from 30% to 40% or 50%, but that this would need to be evidenced in the Local Plan making process. This would appear not to be necessary in The Tivetshalls as 30% is likely to be enough to accommodate average earners but 50% is still too little to widen access to lower earners. That said, increasing the discount to 40% would provide a useful buffer in case developers set pricing in relation to new build price points, and would anyway help to provide a route to ownership to a bigger group of below-average earners.

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

<b>Tenure/ product:</b>	<b>Mean Income</b>	<b>LQ Income 1</b>	<b>LQ Income 2</b>
Parish Median House Price	28%	78%	57%
South Norfolk New Build Mean House Price	43%	83%	66%

Source: Land Registry PPD; ONS MSOA total household income

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



Source: AECOM Calculations



## 4.4 Affordable housing- quantity needed

80. Note that the question of whether Affordable Housing is suitable in The Tivetshalls in the context of its infrastructure and amenities is not within the scope of this study. This chapter instead seeks to determine whether there is, theoretically, any need for such housing. This information can then be used in light of SNC's views of whether delivering it would be possible and appropriate.
81. The starting point for understanding the need for affordable housing in The Tivetshalls should be the relevant Strategic Housing Market Assessment (SHMA).
82. The relevant SHMA was published in 2017 for the Central Norfolk Local Authorities (Norwich City, Broadland, Breckland, North Norfolk, South Norfolk, and the Broads Authority Executive Area). This study finds that an average of 830 additional units of Affordable Housing will be needed between 2015 and 2036. It is possible to determine The Tivetshalls's share of that overall need with reference to population statistics. However, because the SHMA does not disaggregate Affordable Housing need even down to Local Authority level, this would be a very blunt measure of the parish's specific needs.<sup>8</sup>
83. This report therefore provides alternative calculations that are specific to The Tivetshalls as far as possible. The first estimates the need for affordable rented housing and the second considers the potential demand for affordable home ownership tenures. These estimates are presented and discussed in turn below.

### 4.4.1 Affordable rented housing

84. The starting point for assessing the need for is the number of The Tivetshalls households currently applying for Affordable Housing on the South Norfolk housing register. SNC have advised that there are in fact no households living in the parish on the register as of January 2021. Since this snapshot in time may not reflect longer-term trends, for the purpose of this calculation we will take the proportion of all households in South Norfolk in high priority categories on the housing register (0.48%) and multiply this by the estimated number of households in the parish at present (265).
85. This provides a starting 'current need' figure of 1.3 households – effectively allowing for one household who might fall into need in the coming year. To this is added an estimate of newly arising need each year (the current rate of need – including people already occupying social housing – multiplied by estimated new household formation). Finally, a measure of turnover in the existing stock is subtracted, since it is likely that a small proportion of the existing social rented stock will come vacant in a given year if its occupant moves away, no longer needs it or passes away.
86. Table 4-5 below details the steps in this calculation. Its result is an estimated surplus of 0.5 units of affordable rented housing per year. Effectively, if just 1 unit per year is vacated by a current occupant this will be enough to meet the needs of the few new households expected to fall into need in the coming years.
87. There is therefore no immediate need to provide affordable rented housing in The Tivetshalls. That said, there would be no harm in doing so, since any new supply adds to the buffer for local residents if economic circumstances change, and could also be used to accommodate unmet needs from elsewhere if needed.
88. It should be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out below are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
89. It is worth mentioning that SNC may consider The Tivetshalls not to be a suitable location for affordable rented housing due to the limited amenities and public transport. That said, other amenities like hyperfast broadband, which has been connected to the majority of homes in the parish, could help to accommodate residents who can work from home and thereby make the question of public transport availability less relevant going forward. This question is beyond the scope of this assessment, but is worth bearing in mind when planning for any potential affordable rented housing.

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<sup>8</sup> Generally speaking, pro-rating Local Authority level estimates of Affordable Housing need presents problems in practice anyway. The Local Authority level figures are likely to smooth over differences in need between urban and rural areas, where the size of the housing stock and numbers of households living in the private rented sector on housing benefit differ greatly.

**Table 4-5: Estimate of need for Affordable Housing for rent in The Tivetshalls**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current households in need	1.3	MHCLG waiting list data for South Norfolk shows that 0.48% of households are on the register in reasonable preference category. This is multiplied by the estimated number of households in the parish today (265)
1.2 Per annum	0.1	Step 1.1 divided by the plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	66.7	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to NA
2.2 Proportion of new households unable to rent in the market	15.7%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1 Current number of social renters in NA	35.9	2011 Census
2.2.2 Number of private renters on housing benefits	4.5	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	10.5	Step 2.1 x Step 2.2
2.4 Per annum	0.5	Step 2.3 divided by plan period
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
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)	1.1	Step 3.1 x NA social rented stock (2.2.1)
<b>NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM</b>		
Overall shortfall per annum	-0.5	Step 1.2 + Step 2.4 - Step 3.2

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

#### 4.4.2 Affordable home ownership

90. Turning now to Affordable Housing providing a route to home ownership, Table 4-6 below estimates the potential demand in The Tivetshalls. This model aims to estimate the number of households who can rent but can't buy on the basis of their incomes. It counts households currently living in or expected to enter the private rented sector who are not on housing benefit.
91. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model discounts 25% of these households, assuming a proportion will be renting out of choice. The result of the calculation is around 0.7 households per year who may be interested in affordable home ownership (or 11 for the entirety of the Plan period).
92. It is important to keep in mind that the households identified in this estimate would be, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

**Table 4-6: Estimate of the potential demand for affordable housing for sale in The Tivetshalls**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in NA	24.4	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	18.3%	% of renters in South Norfolk in 2018 on housing benefit
1.3 Number of renters on housing benefits in NA	4.5	Step 1.1 x Step 1.2
1.4 Current need (households)	14.9	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	<b>0.7</b>	Step 1.4 divided by plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	66.7	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	9.7%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	6.5	Step 2.1 x Step 2.2
2.4 Total newly arising need per annum	<b>0.5</b>	Step 2.3 divided by plan period
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	11	Number of shared ownership homes in NA (Census 2011 + LA new build to 2018/19 pro rated to NA)
3.2 Supply - intermediate resales	<b>0.5</b>	Step 3.1 x 5% (assumed rate of re-sale)
<b>NET SHORTFALL (OR SURPLUS) PER ANNUM</b>		
Overall shortfall (or surplus) per annum	<b>0.7</b>	(Step 1.5 + Step 2.4) - Step 3.2

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

93. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
94. It is also important to remember that even after The Tivetshalls, or indeed any other, Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the Steering Group.

#### 4.4.3 Affordable Housing policy guidance

95. South Norfolk's adopted policy on this subject gives a range of Affordable Housing targets depending on the size of sites and the latest evidence. The emerging GNLP proposes a 33% target (the proportion of all housing that should be affordable) on sites of 10 or more homes. Within this supply of Affordable Housing, at least 10% should be offered as routes to home ownership.<sup>9</sup>
96. Note that the Government's August 2020 consultation proposals for 'Changes to the current planning system' include a temporary measure to lift the small sites threshold. This would mean that developers would not need to contribute to Affordable Housing on sites of up to 40 or 50 units. This represents a significant increase on the threshold sought in the Local Plan (cited above), and therefore may reduce the delivery of Affordable Housing on normal development sites during the temporary period in which it may apply (see the 'Quantity of Housing to Provide' in the introductory sections of this report for more information).
97. There is generally limited scope for Neighbourhood Plans to define a different proportion of all housing that must be affordable or increase the policy threshold. A high standard of justification would be required, and the evidence gathered here would not support that approach in The Tivetshalls. However, the Neighbourhood Plan may seek to influence the mix of tenures within any Affordable Housing that does come forward in future – either as a proportion of market housing or through an exception site.

<sup>9</sup> Note that this policy requirement appears to have been drafted to be in compliance with NPPF paragraph 64. However, it is AECOM's interpretation of that paragraph that 10% of all homes, not 10% of affordable homes, should be for affordable home ownership.

98. It is not the role of the HNA to develop policy, as there are a wider set of factors which apply and need to be considered by the Steering Group. However, the following evidence and considerations may be used as a starting point in the development of policy concerning the components of the Affordable Housing mix:

**A. Evidence of need for Affordable Housing:** This study estimates that The Tivetshalls has limited long-term need for affordable rented housing, and only modest potential demand for affordable home ownership (0 and 11 units over the Plan period respectively).

The relationship between the two results would suggest that as much as possible of any Affordable Housing that comes forward should provide a route to ownership. It may, however, be prudent to continue to supply affordable rented housing in case financial circumstances change or wider South Norfolk needs should be met.

**B. Can Affordable Housing needs be met in full?** While there is no minimum requirement for new housing in The Tivetshalls at this time, the anticipated village cluster policy for South Norfolk is expected to seek up to 25 new homes in each cluster. 25 new homes is therefore used as the benchmark for the possible scale of new development in the parish during the Plan period.

If 33% of 25 new homes were affordable (as required in the emerging GNLP), this implies the delivery of around 8 affordable homes. This is 3 units less than the estimated potential demand for affordable home ownership, but would probably be sufficient to meet the majority of local needs.

**C. Government policy (NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership – a stipulation acknowledged in the new Local Plan. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA there is limited evidence that this is the case in The Tivetshalls. Indeed, there is strong evidence to suggest that this proportion should be exceeded (see A above).

**D. Emerging policy:** the Government is currently consulting on the introduction of First Homes (to provide at least 30% discount on new build home prices). The most recent consultation outlines the Government's intention to require that a minimum of 25% of all Affordable Housing secured through developer contributions should be first homes.<sup>10</sup>

First Homes appear to be generally appropriate in the parish, so the introduction of this requirement is unlikely to have an adverse effect on the ability of The Tivetshalls's needs to be met.

That said, the outcome of this consultation and the policy which emerges may shape the provision of different forms of Affordable Housing on new development sites, and the Steering Group will need to keep this emerging policy in mind when developing its Neighbourhood Plan policies.<sup>11</sup>

**E. Local Plan policy:** the adopted JCS seeks a tenure split in line with evidence, with a starting target (at publication) of 85% for rent and 15% for ownership. The emerging GNLP simply requires that more than 10% of Affordable Housing units offer a route to ownership (though the NPPF requirement that 10% of all housing should be formed of such tenures may supersede this).

**F. Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised by the new Local Plan and it is acknowledged that this may affect the provision of affordable housing and/or the mix of tenures provided.

**G. Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The Steering Group

<sup>10</sup>The original proposals are available at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/864265/First\\_Homes\\_consultation\\_document.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/864265/First_Homes_consultation_document.pdf). The latest proposals are available at: <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system>. Note that the latest proposals are not final, and could potentially be subject to further change.

<sup>11</sup> The expected 25% First Homes requirement may have the effect of displacing other products in any established tenure mix and, if so, is supposed to displace other affordable home ownership products in the first instance, starting with those providing the lowest effective discount. However, affordable rented products may also be affected depending on the tenure mix sought (i.e. if more than 75% of affordable housing is intended as affordable rent, this would need to be reduced to a maximum of 75% affordable rent so that First Homes can constitute 25% of all affordable housing).

The August 2020 proposals also present options on how the make-up of the tenure mix of the remaining 75% of affordable housing is determined, with one option to maintain as far as possible the affordable rented proportions in the local plan, while a second option would allow greater flexibility. It is unknown at this time which option will be pursued.

may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.

- H. Existing tenure mix in The Tivetshalls:** The Tivetshalls has a relatively similar mix of tenures to South Norfolk as a whole, with a comparatively high rate of shared ownership (though still a small actual number of units) and no apparent undersupply of social rent.
- I. Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
- J. Wider policy objectives:** the Steering Group may wish to take account of broader policy objectives for The Tivetshalls and/or wider South Norfolk. These could include, but are not restricted to, policies to attract younger households, families or working age people to the parish. These wider considerations may influence the mix of Affordable Housing provided.
99. On the basis of the considerations above, Table 4-7 below proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.
100. This indicative mix is informed by the estimates of Affordable Housing needs presented in this HNA, as well as the relative affordability of the various tenures available. The estimates of the quantity of need suggest that all Affordable Housing should provide a route to ownership, with no provision for rent. The affordability thresholds analysis indicates that the various affordable home ownership tenures would generally do a good job of accommodating local people based on their incomes. However, it also found that those on lower quartile incomes have few other options than affordable renting. Because the calculation of affordable rented needs is relatively less robust at the small scale of this parish, there may well be value in encouraging a small amount of affordable rented dwellings to come forward.
101. As such, the tenure mix proposed is weighted towards affordable home ownership with a moderate proportion of affordable rent suggested as a buffer in case circumstances change.
102. If Affordable Housing is likely to come forward it is therefore advised that the Steering Group establish with SNC whether and how much affordable rented housing the parish might sustainably accommodate. And when developments proposing to include affordable home ownership are being considered, the realistic purchase costs should be viewed in light of local incomes and, where appropriate, smaller more affordable types and sizes of home should be prioritised.
103. The tenure mix given below would be appropriate whether or not the current consultation on the new First Homes product goes forward. If it does, the Steering Group should take account of how this could impact on Affordable Housing delivery locally. The evidence gathered here suggests that this proposal would not impact on the ability of The Tivetshalls to accommodate those with the most acute needs.
104. In terms of the most appropriate forms of affordable home ownership in The Tivetshalls, Table 4-8 below gives a stronger weighting to rent to buy because this is potentially the most affordable. It does not give exclusive priority to this tenure because it is relatively new and untested. Discounted market housing (including First Homes) and shared ownership are also relatively promising.
105. It should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
106. Where the Steering Group wish to develop policy that deviates from that outlined in the JCS and GNLP, it is important that they liaise with SNC to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

**Table 4-7: Indicative Affordable Housing tenure mix for The Tivetshalls**

Tenure	Indicative mix	Considerations and uncertainties
<b>Routes to home ownership, of which</b>	<b>75%</b>	
First Homes / discounted market housing <sup>12</sup>	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	25%	Proposed changes to the model to allow purchases of 10% share <sup>13</sup> - impact on viability unknown Registered Providers' business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to buy	25%	Emerging product with popularity and effectiveness as yet unproven. Impact of displacement by First Homes unknown.
<b>Affordable Housing for rent, of which</b>	<b>25%</b>	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area, and which sub-tenure (social or affordable rent) is prioritised by the LPA.
Affordable rent	To be set by Registered Providers	

Source: AECOM calculations

## 4.5 Conclusions- Tenure and Affordability

### Affordability issues and tenure options

107. Housing in The Tivetshalls is primarily owned, though there are slightly higher rates of social rent and shared ownership than South Norfolk, and less private renting. New development since 2011 has been exclusively market housing (for purchase and/or rent), and the number of renting households increased by a third between 2001 and 2011. Though less pronounced than the national trend, this is a clear signal of the declining affordability of home ownership, which is confirmed in the house price data. The average home value in The Tivetshalls was 70% higher in 2020 than it was in 2011. The median value currently sits at £245,000.
108. The annual income required to afford various tenures of housing in the parish has been estimated. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in the area of The Tivetshalls is £45,500 and the lower quartile income (per person) for South Norfolk is £13,346.
109. It was found that a household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home in the parish. This further demonstrates that home ownership through the mainstream market is not an option for the majority of local people.
110. Private renting is affordable for households on average incomes but only the smallest and least expensive properties would be accessible to those with two lower quartile earners. Any household earning below this level – particularly those with just one earner – are likely to need affordable rented housing.

<sup>12</sup> In the event that the First Homes product does not go forward at all, the proportion of Affordable Housing that might be allotted to First Homes could be delivered as discounted market sales housing if this is available at broadly equivalent discounts, or to other forms of affordable home ownership also recommended in the table.

<sup>13</sup> <https://www.gov.uk/government/news/jenrick-unveils-huge-12-billion-boost-for-affordable-homes>

111. Broadly speaking, anyone earning between £26,000 and £61,200 can probably afford to rent but not to buy. These households may benefit from affordable home ownership options such as shared ownership, discounted market housing (including the Government's new First Homes product) and rent to buy.
112. First Homes are set to be introduced in 2021 with a discount of at least 30% on market prices. A discount of 28% on median parish prices would be enough to bring them within reach of average earners locally, meaning that this is likely to be a valuable new product. Shared ownership at low equity shares and rent to buy are even more affordable and would help to accommodate a bigger group of below-average earners.

#### **Quantity of Affordable Housing needed**

113. It is possible to estimate the quantity of Affordable Housing needed in the parish during the Plan period. This study includes two such calculations. The first estimates the need for affordable rented housing and the second considers the potential demand for the affordable home ownership products considered above.
114. The estimate for affordable rented housing finds that there is little or no long-term need for such housing in The Tivetshalls. There is no current backlog of need, and turnover in the existing stock as households vacate social rented homes for whatever reason is expected to be able to satisfy any newly arising need. While it may still be beneficial to provide some new affordable rented housing to fill any size or location gaps, and to provide security in case economic circumstances change, it is not clear that The Tivetshalls is an appropriate location in terms of access to amenities and public transport.
115. Turning to Affordable Housing providing a route to home ownership, we estimate that around 11 households may be interested in such products over the Neighbourhood Plan period. It is important to keep in mind that the households identified in this estimate are, by and large, able to be adequately housed in the private rented sector. They may simply prefer to buy rather than rent.

#### **Policy considerations**

116. The Neighbourhood Plan may seek to influence the mix of tenures within any Affordable Housing that comes forward in future.
117. As noted above, it is estimated that The Tivetshalls has limited long-term need for affordable rented housing but a modest amount of potential demand for affordable home ownership. This evidence suggests that within Affordable Housing, products providing a route to ownership should be prioritised over affordable rented housing.
118. We propose an indicative Affordable Housing mix of 75% routes to ownership and 25% rented housing, with the routes to ownership roughly equally divided between First Homes (or equivalent discounted market housing if this product is not formalized), shared ownership, and rent to buy.
119. It bears repeating that because of its size and limited range of services (particularly public transport) The Tivetshalls may not be considered by SNC as a suitable location for new affordable rented accommodation. This question is beyond the scope of this study and is best answered through direct engagement with SNC. The calculations and recommendations presented here are based on the potential need for Affordable Housing, unconstrained by limiting factors such as the sustainability of the settlement, infrastructure capacity or the availability of suitable land.

## 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

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

### 5.2 Existing types and sizes

#### 5.2.1 Background and definitions

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

#### 5.2.2 Dwelling type

126. The 2011 Census shows that at that time there were 249 dwellings in The Tivetshalls, 130 of which were detached houses, 99 semi-detached houses, 13 terraced houses and 6 flats. 19 new homes have since been built but their type is not recorded in the completions data kept by SNC, and unfortunately the parish is smaller than the smallest unit of analysis for Valuation Office Agency (VOA) data on housing types and sizes that this cannot be used throughout this chapter. That said, the total amount of housing has risen by less than 8% since the Census, so the key features of the stock are unlikely to have changed in any significant way.
127. The 2011 stock in the parish is fairly similar to South Norfolk as a whole, though The Tivetshalls has lower proportions of flats and terraces and correspondingly more semi-detached homes (see Table 5-1 below). A combined 7.6% of homes in the parish are not detached or semi-detached. In this context there may be benefits in terms of affordability and housing choice if more of these types were provided in future.



**Table 5-1: Accommodation type, The Tivetshalls, 2011**

Dwelling type		The Tivetshalls	South Norfolk	England
Whole house or bungalow	Detached	52.2%	51.0%	22.4%
	Semi-detached	39.8%	30.4%	31.2%
	Terraced	5.2%	12.1%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	1.6%	4.8%	16.4%
	Parts of a converted or shared house	0.8%	0.9%	3.8%
	In commercial building	0.0%	0.5%	1.0%

Source: ONS 2011, AECOM Calculations

128. Though this is a crude measure for the reasons described above, the proportion of bungalows in the wider area covered in the VOA data (a feature not captured in the Census) is 37.7%. This is higher than the rate of 25.9% for South Norfolk as a whole and way above the England average of 9.5%. If The Tivetshalls's rate of bungalow provision is similar to the proportion across the VOA area it falls within (which also includes Great Moulton and its surrounding area), this would indicate a healthy supply of level-access homes often favoured by older residents and those with mobility limitations (although bungalows are not necessarily wheelchair accessible or appropriate for all households with support needs).

### 5.2.3 Dwelling size

129. Table 5-2 below sets out the distribution of housing by number of rooms in 2011. The housing stock in The Tivetshalls is marginally larger than the district average, with a combined 13.8% of homes having 4 or fewer rooms in the parish compared with 21% across South Norfolk. This is in line with the finding that there are fewer flats in the parish than the district. The Tivetshalls has slightly higher rates of large homes with more than 6 rooms.

**Table 5-2: Number of rooms per dwelling in The Tivetshalls, 2011**

Number of Rooms	2011	2011
	The Tivetshalls	South Norfolk
1 Room	0.4%	0.1%
2 Rooms	0.8%	1.0%
3 Rooms	2.4%	4.6%
4 Rooms	10.2%	15.3%
5 Rooms	26.4%	22.9%
6 Rooms	20.7%	20.4%
7 Rooms	14.6%	13.6%
8 Rooms	9.3%	10.0%
9 Rooms or more	15.0%	12.1%

Source: ONS 2011, AECOM Calculations

130. Table 5-3 below presents the distribution of homes by number of bedrooms.

131. These figures are up-to-date as of 2020, as the completions data provided by SNC captures the number of bedrooms in new housing in most cases. Since 2011 new development in The Tivetshalls has consisted of:

- 4 x 2-bedroom homes;
- 6 x 3-bedroom homes;
- 3 x 4-bedroom homes;
- 1 x 5-bedroom home; and

- 5 x homes with an unknown number of bedrooms.

132. This is a relatively even distribution, with 3 bedroom homes dominating but an equal number of homes with fewer and more bedrooms than 3.

133. However, as can be seen in Table 5-3 below, 3 bedroom homes are by far the dominant category in The Tivetshalls. In this sense, recent development has exaggerated the existing pattern rather than providing valuable diversification. The housing size mix remains similar to the South Norfolk picture in 2011, although the parish has a higher proportion of 3 bedroom homes and lower proportions of 1 bedroom and 4 bedroom homes in particular. These findings chime with the perceptions of the steering group that the existing stock is skewed towards medium sized homes, with few opportunities for larger families and young people – who tend to seek larger and smaller homes respectively.

**Table 5-3: Number of bedrooms per dwelling, The Tivetshalls, 2020 (2011 for other areas)**

Bedrooms	The Tivetshalls, 2020		South Norfolk, 2011		England, 2011	
<b>All</b>	<b>260</b>	<b>100.0%</b>	<b>52,809</b>	<b>100.0%</b>	<b>22,063,368</b>	<b>100.0%</b>
No bedrooms	1	0.4%	56	0.1%	54,938	0.2%
1 bedroom	10	3.8%	2,899	5.5%	2,593,893	11.8%
2 bedrooms	63	24.2%	13,330	25.2%	6,145,083	27.9%
3 bedrooms	120	46.2%	22,652	42.9%	9,088,213	41.2%
4 bedrooms	48	18.5%	10,735	20.3%	3,166,531	14.4%
5 or more bedrooms	18	6.9%	3,137	5.9%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

134. Note that the totals vary between the metric of dwelling type and dwelling size. This is because it is easier to determine what type a dwelling falls into than how many bedrooms it has internally (something which can also change over time) when completing the Census survey. More dwellings therefore have an unknown number of bedrooms than type.

## 5.3 Age and household composition

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

### 5.3.1 Age structure

136. Table 5-4 below shows the most recent estimated age structure of the parish population, alongside 2011 Census figures. Those aged 45-84 form the majority of the population following a notable ageing trend. This is not particularly evident in those aged 85+ but is seen in the expansion of the 65-84 population while all younger groups except children have declined. The number of children remains relatively high and stable, indicating a sustained presence of families.

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

138. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas.

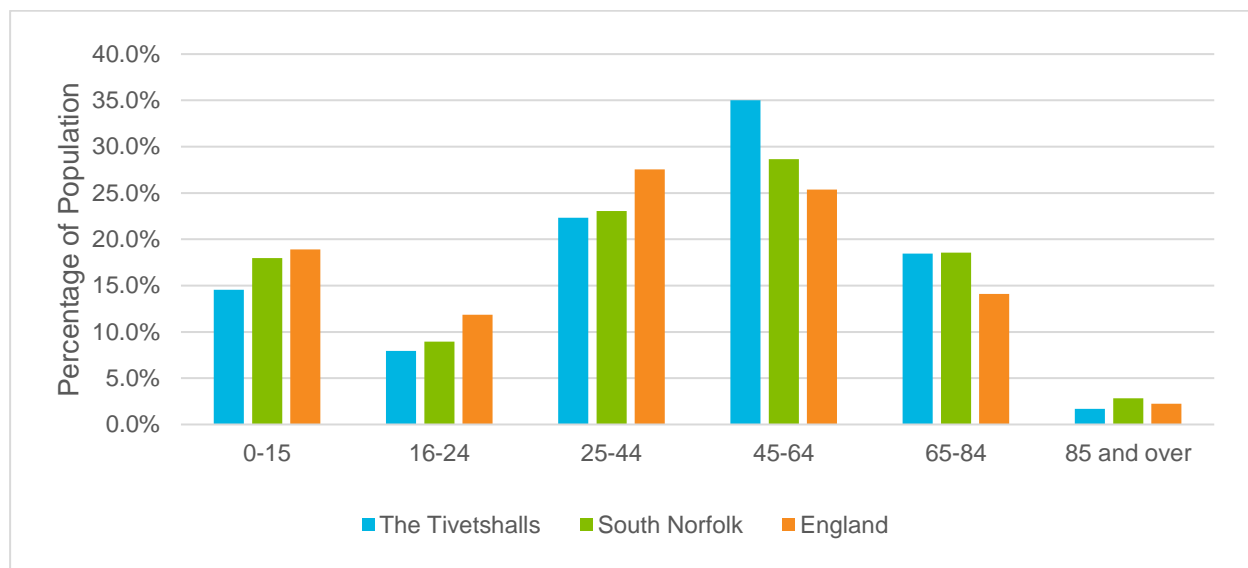
**Table 5-4: Age structure of The Tivetshalls population, 2011 and 2019**

Age group	2011 (Census)		2019 (ONS, estimated)	
0-15	86	14.6%	92	15.4%
16-24	47	8.0%	37	6.2%
25-44	132	22.3%	106	17.7%
45-64	207	35.0%	188	31.4%
65-84	109	18.4%	166	27.8%
85 and over	10	1.7%	9	1.5%
Total	591	100%	598	100%

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

139. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 below (using 2011 Census data) shows that the parish population was generally older than the district and national averages (a similar number of people in older age groups and fewer people in younger ones). The 45-64 age group is much larger in the parish than elsewhere, a characteristic that the data above shows is already driving the ageing of the population.

**Figure 5-1: Age structure, The Tivetshalls, 2011**



Source: ONS 2011, AECOM Calculations

### 5.3.2 Household composition

140. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.

141. Table 5-5 below shows that in 2011 The Tivetshalls had a lower proportion of one person households than the district or country and therefore more families as a proportion of all households. More of those families have no children than is common elsewhere. It is notable that The Tivetshalls has more non-dependent (older) children and less dependent children than the rates for South Norfolk and England. While this does conflict slightly with the 15% of people in the parish who are aged under 15, it does suggest that the number of families with young children may be constrained by the availability of suitable homes in addition to the general ageing trend.

**Table 5-5: Household composition, various geographies, 2011**

Household composition		The Tivetshalls	South Norfolk	England
<b>One person household</b>	<b>Total</b>	<b>21.1%</b>	<b>26.3%</b>	<b>30.2%</b>
	Aged 65 and over	10.6%	13.5%	12.4%
	Other	10.6%	12.8%	17.9%
<b>One family only</b>	<b>Total</b>	<b>74.4%</b>	<b>69.5%</b>	<b>61.8%</b>
	All aged 65 and over	11.0%	12.5%	8.1%
	With no children	29.7%	22.8%	17.6%
	With dependent children	22.8%	25.4%	26.5%
	All children Non-Dependent	11.0%	8.8%	9.6%
<b>Other household types</b>	<b>Total</b>	<b>4.5%</b>	<b>4.3%</b>	<b>8.0%</b>

Source: ONS 2011, AECOM Calculations

## 5.4 Suggested future dwelling size mix

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

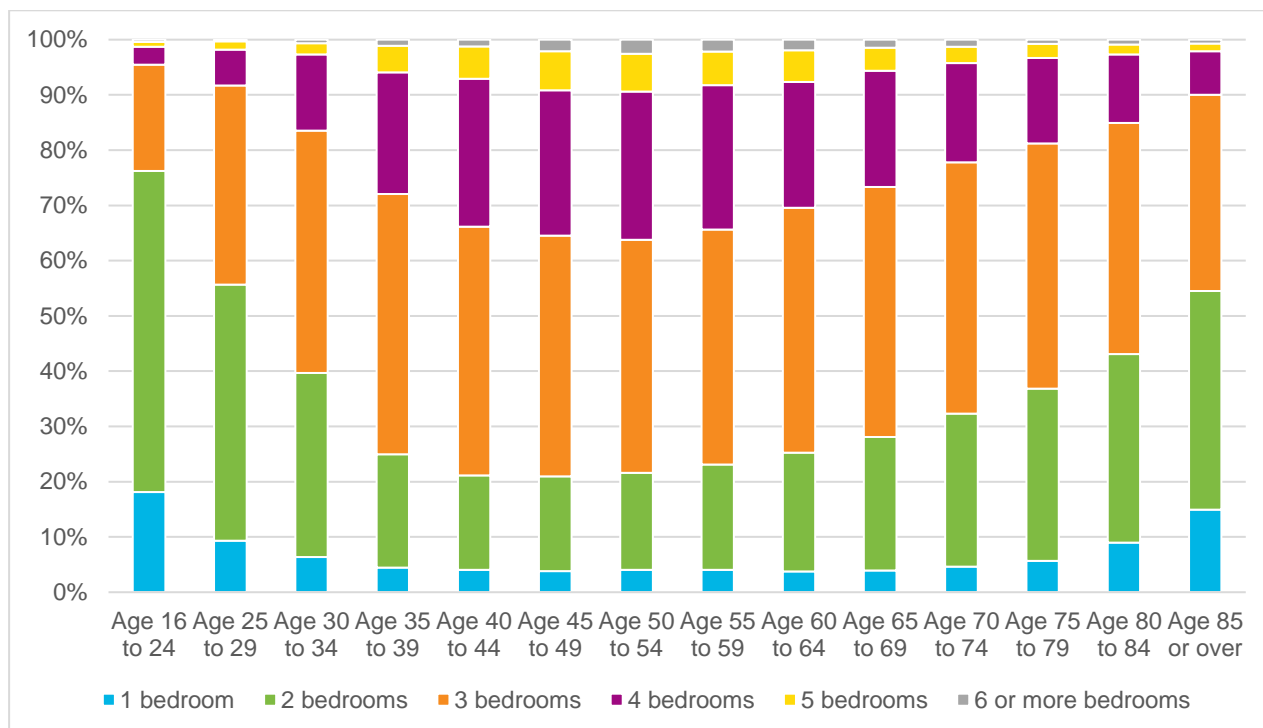
- The starting point is the age distribution of The Tivetshalls households in 2011.
  - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
  - As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
  - ONS household projections are produced every two years but are only available at Local Authority level.
- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the parish population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
  - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.
  - The model also assumes that today's occupation patterns persist into the future, which is not a given. However, there is no better indication of what those patterns might look like.
- Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the parish. From this we can identify how future development might best fill the gaps.

143. 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 tendency 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. It is therefore appropriate for this to be taken as a baseline scenario – what would occur if current trends continued. It may well be the intention of the community to intervene to produce a different outcome more in line with their place- and community-shaping objectives.

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

145. The first, given as Figure 5-2 below, sets out the relationship between household life stage and dwelling size for South Norfolk in 2011. This shows how the youngest households occupy the smallest dwellings, before quickly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes as they age.

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



Source: ONS 2011, AECOM Calculations

146. The second dataset of note is the result of applying Local Authority level household projections to the age profile of The Tivetshalls. Table 5-6 below makes clear that population growth can be expected to be driven by the oldest households, with the 65 and over category nearly doubling from 2011 levels to become by far the dominant group at 42% of the projected total, while the other age groups grow much more slowly.

**Table 5-6: Projected distribution of household life stages, The Tivetshalls, 2011-2042**

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	24	83	59	80
2018	0	26	88	60	99
2042	0	32	107	76	154
% change 2011-2042	N/A	32%	29%	28%	92%

Source: AECOM Calculations

147. The final result of this exercise is presented in Table 5-7. The model suggests that new development should be well-balanced, with similar numbers of 2, 3 and 4 bedroom homes, some 1 bedroom homes, and a small proportion of very large homes.

148. This dwelling mix would help to accommodate any unmet demand for smaller properties to which older households may wish to downsize, in the process vacating larger houses that might then be occupied by families. An emphasis on smaller homes should also help to accommodate younger people and children of residents who are currently not well served by housing options in the area. Such homes are also likely to be more affordable, something which is needed in The Tivetshalls (refer to Tenure and Affordability chapter).

149. For more than a quarter of new homes to have 4 or more bedrooms should also help to accommodate growing families who have relatively limited options at present.

150. It is fair to acknowledge that this mix is not dissimilar to that achieved by the new development in The Tivetshalls since 2011, which was described as exaggerating existing patterns. It may well be the aspiration of local people to be bolder in diversifying the housing stock and therefore to limit the provision of 3 bedroom homes below the level suggested by this model, allocating the difference to larger or smaller homes in accordance with the community's wishes or any primary survey evidence that may be gathered as the Neighbourhood Plan is prepared.

**Table 5-7: Suggested dwelling size mix, 2042**

Number of bedrooms	Current (2020) distribution		'Ideal' (2042) distribution		Change required	
1 bedroom	10	3.8%	20	5.6%	10	9.6%
2 bedrooms	63	24.2%	94	25.4%	31	28.0%
3 bedrooms	120	46.2%	160	43.3%	40	36.1%
4 bedrooms	48	18.5%	74	20.0%	26	23.4%
5 or more bedrooms	18	6.9%	21	5.7%	3	2.9%

Source: Census 2011, AECOM Calculations

## 5.5 Conclusions- Type and Size

### The existing stock

151. The stock of housing in The Tivetshalls is weighted heavily towards detached and semi-detached types, with only 8% of homes not falling into one of these categories. While the proportion of detached homes is similar to that across South Norfolk, the parish has far fewer terraced homes and only 6 flats. There is, however, a healthy quantity of bungalows, suggesting that there is no undersupply of this type favoured by older households.
152. 3 bedroom homes are by far the dominant size category in the Tivetshalls. The stock is skewed towards medium sized homes, with relatively few opportunities for larger families and young people to take up larger and smaller homes.
153. Thinking about this information alone, it would be advantageous to diversify the stock with an injection of smaller properties in the form of denser types, such as 2 bedroom terraces or maisonettes (assuming these can be designed in accordance with the existing character of the village), as well as some larger family-sized options.

### Demographics

154. The Office for National Statistics (ONS) mid-2019 population estimate for The Tivetshalls parish is 598 people, indicating very little change from the 2011 Census despite the completion of 19 new homes since then.
155. The age structure of the population is a key indicator of the future need for housing. As of 2019 The Tivetshalls has a population dominated by those aged 45-84, though a relatively significant number of children remain. The overriding change since 2011 is the ageing of the population, with particular growth in the 65-84 population while all age groups except children have contracted.
156. Today's large 45-84 cohort (roughly 53% of the total) is likely to produce an older population in 2042 that may have different housing needs than it does at present. Applying South Norfolk household projections to The Tivetshalls population suggests that by 2042 the 65+ group could nearly double (compared with 2011 levels) to become by far the dominant group, while all other age groups grow much more slowly.
157. Whether they intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving support needs, the requirements of older people will become increasingly important.
158. It is also worth noting that there was a considerable number of non-dependent adult children living in the parental home in 2011. It may be assumed that some of these individuals were living with parents due to a lack of affordable options rather than by choice. Given that there are still many children resident in The Tivetshalls, it would be prudent to prepare for the time that they may wish to form their own independent households by encouraging the development of smaller, more affordable options.

### **The future dwelling mix**

159. The results of a life-stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the Plan period in order to understand what should be built, suggests that new development should be well-balanced, with similar numbers of 2, 3 and 4 bedroom homes, some 1 bedroom homes, and a small proportion of very large homes.
160. This dwelling mix would help to accommodate any unmet demand for smaller properties to which older households may wish to downsize, in the process vacating larger houses that might then be occupied by families. An emphasis on smaller homes should also help to accommodate younger people and children of residents who are currently not well served by housing options in the area. For more than a quarter of new homes to have 4 or more bedrooms should also help to accommodate growing families who have relatively limited options at present.
161. This finding should be approached as a starting point for policy development and viewed alongside qualitative evidence about the desires of local people and the community's wider objectives, for instance around character and design. It is also relevant to consider the impact of trends such as increased homeworking as a result of the Covid-19 pandemic, which together with The Tivetshalls' high level of broadband connectivity, could warrant the supply of homes with more rooms and more flexible spaces. An indicative proposal for this is provided at the start of the Executive Summary.
162. This study does not provide a target state for the mix of housing types in The Tivetshalls, since type is more a matter of wealth, taste and other factors than need in the strict sense. House type is also not so clearly correlated with life stage as house size, which was used to estimate the target size mix above. However, given the findings on affordability, it may be beneficial to plan for more of the lower cost types that are currently absent, such as terraces and maisonettes.

## 6. Conclusions

### 6.1 Overview

164. 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 with a potential impact on Neighbourhood Plan housing policies**

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	<p>Housing in The Tivetshalls is primarily owned, though there are slightly higher rates of social rent and shared ownership than South Norfolk, and less private renting. New development since 2011 has been exclusively market housing (for purchase and/or rent), and the number of renting households increased by a third between 2001 and 2011.</p> <p>The average home value in The Tivetshalls was 70% higher in 2020 than it was in 2011. The median value currently sits at £245,000.</p> <p>The average household income in the area of The Tivetshalls is £45,500 and the lower quartile income (per person) for South Norfolk is £13,346.</p> <p>A household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home in the parish. Private renting is affordable for households on average incomes but only the smallest and least expensive properties would be accessible to those with two lower quartile earners. Any household earning below this level – particularly those with just one earner – would be likely to need affordable rented housing.</p> <p>Broadly speaking, anyone earning between £26,000 and £61,200 can probably afford to rent but not to buy. These households may benefit from affordable home ownership options such as shared ownership, discounted market housing (including the Government’s new First Homes product) and rent to buy.</p> <p>A discount of 28% on median parish prices would be enough to bring First Homes within reach of average earners locally, meaning that this is likely to be a valuable new product. Shared ownership at low equity shares and rent to buy are even more affordable and would help to accommodate a bigger group of below-average earners.</p>	<p>Home ownership on the mainstream market is only an option for the wealthiest households.</p> <p>There is little or no long-term need for affordable rented housing in The Tivetshalls. There is no current backlog of need, and turnover in the existing stock as households vacate social rented homes for whatever reason is expected to be able to satisfy any newly arising need. Around 11 households may be interested in affordable ownership products over the Neighbourhood Plan period.</p> <p>The HNA proposes an indicative Affordable Housing mix of 75% routes to ownership and 25% rented housing, with the routes to ownership roughly equally divided between First Homes (or equivalent discounted market housing if this product is not formalized), shared ownership, and rent to buy.</p> <p>It bears repeating that because of its size and limited range of services (particularly public transport) The Tivetshalls may not be considered by SNC as a suitable location for new affordable rented accommodation. This question is beyond the scope of this study and is best answered through direct engagement with SNC. The calculations and recommendations presented here are based on the potential need for Affordable Housing, unconstrained by limiting factors such as the sustainability of the settlement, infrastructure capacity or the availability of suitable land.</p>



Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Housing type and size</p>	<p>The stock of housing in The Tivetshalls is weighted heavily towards detached and semi-detached types, with only 8% of homes not falling into one of these categories. While the proportion of detached homes is similar to that across South Norfolk, the parish has far fewer terraced homes and only 6 flats. There is, however, a healthy quantity of bungalows, suggesting that there is no undersupply of this type favoured by older households.</p> <p>3 bedroom homes are by far the dominant size category in the Tivetshalls. The stock is skewed towards medium sized homes, with relatively few opportunities for larger families and young people to take up larger and smaller homes.</p> <p>As of 2019 The Tivetshalls has a population dominated by those aged 45-84, though a relatively significant number of children remain. The overriding change since 2011 is the ageing of the population, with particular growth in the 65-84 population while all age groups except children have contracted.</p> <p>Applying South Norfolk household projections to The Tivetshalls population suggests that by 2042 the 65+ group could nearly double (compared with 2011 levels) to become by far the dominant group, while all other age groups grow much more slowly.</p>	<p>Thinking about the existing stock alone, it would be advantageous to diversify the stock with an injection of smaller properties in the form of denser types, such as 2 bedroom terraces or maisonettes (assuming these can be designed in accordance with the existing character of the village), as well as some larger family-sized options.</p> <p>Whether they intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving support needs, the requirements of older people will become increasingly important.</p> <p>There was a considerable number of non-dependent adult children living in the parental home in 2011. It may be assumed that some of these individuals were living with parents due to a lack of affordable options rather than by choice. Given that there are still many children resident in The Tivetshalls, it would be prudent to prepare for the time that they may wish to form their own independent households by encouraging the development of smaller, more affordable options.</p> <p>New development should be well-balanced, with similar numbers of 2, 3 and 4 bedroom homes, some 1 bedroom homes, and a small proportion of very large homes.</p> <p>This would help to accommodate any unmet demand for smaller properties to which older households may wish to downsize, in the process vacating larger houses that might then be occupied by families. An emphasis on smaller homes should also help to accommodate younger people and children of residents who are currently not well served by housing options in the area. For more than a quarter of new homes to have 4 or more bedrooms should also help to accommodate growing families who have relatively limited options at present.</p> <p>This finding should be approached as a starting point for policy development and viewed alongside qualitative evidence about the desires of local people and the community's wider objectives, for instance around character and design. An indicative proposal for this is provided at the start of the Executive Summary.</p> <p>This study does not provide a target state for the mix of housing types in The Tivetshalls, since type is more a matter of wealth, taste and other factors than need in the strict sense. House type is also not so clearly correlated with life stage as house size, which was used to estimate the target size mix above. However, given the findings on affordability, it may be beneficial to plan for more of the lower cost types that are currently absent, such as terraces and maisonettes.</p>

## 6.2 Recommendations for next steps

165. This Neighbourhood Plan housing needs assessment aims to provide The Tivetshalls with evidence on a range of

housing trends and issues from a range of relevant sources. We recommend that the Steering Group should, as a next step, discuss the contents and conclusions with SNC with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of SNC;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by SNC.

166. 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.

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

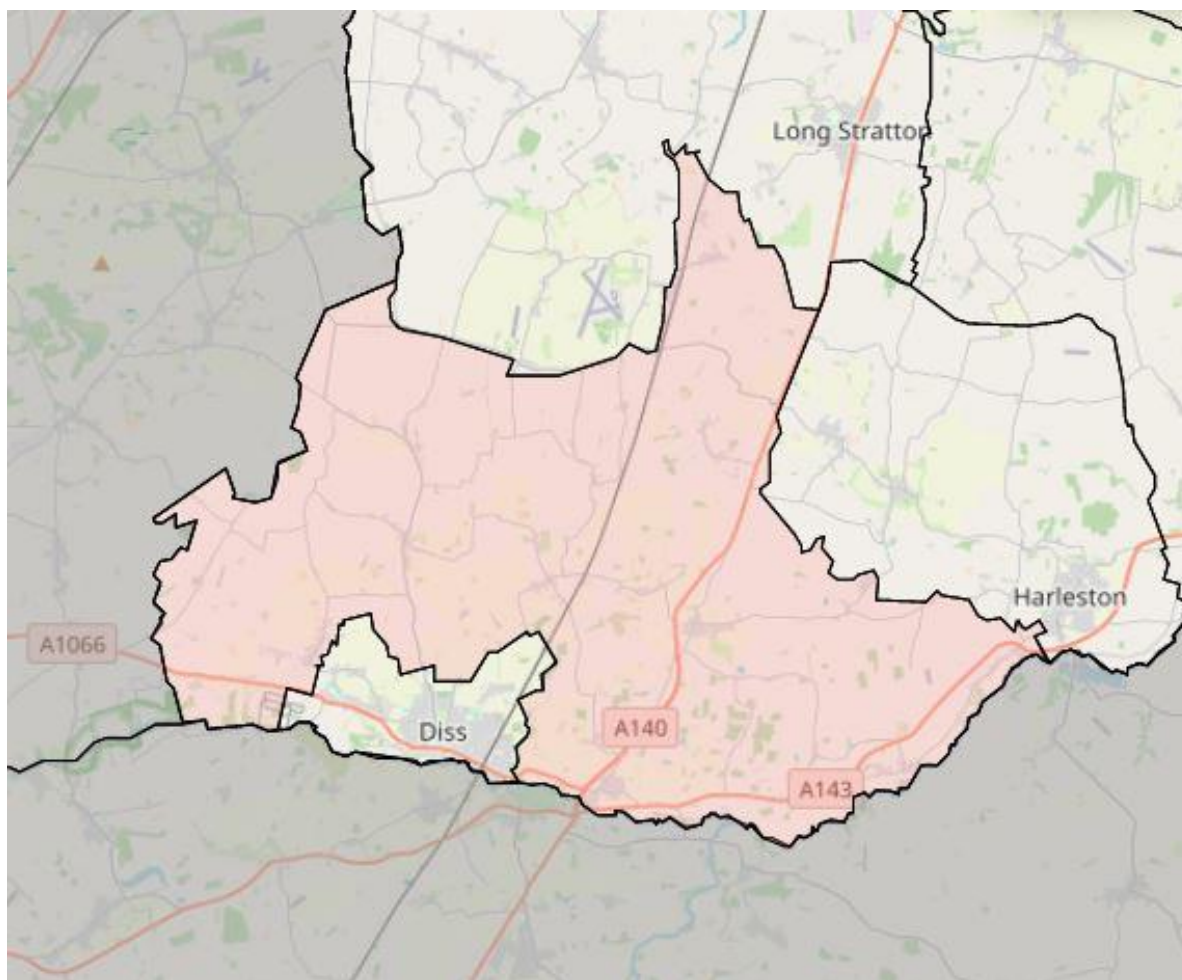
168. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

## Appendix A : Calculation of affordability thresholds

### A.1 Income data geography

169. As noted in the Tenure and Affordability chapter, local income data is only available at the scale of the Medium Super Output Area (MSOA), which is much larger than the parish. The MSOA that covers The Tivetshalls is known as South Norfolk 014 (code number E02005610). This is the best available proxy for incomes in the parish. Although it does extend to a much wider area (as seen in Figure A-1 below), it primarily covers an area of a similar character and is not skewed by data from urban areas.

**Figure A-1: MSOA South Norfolk 014, used as a best-fit geographical proxy for the Neighbourhood Area**



Source: ONS

### A.2 Market housing

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

171. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

#### i) Market sales

172. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.

173. To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in The Tivetshalls, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer.
174. The calculation for the purchase threshold for market housing is as follows:
- Value of median Neighbourhood Plan Area (NA) house price in 2020 = £245,000;
  - Purchase deposit at 10% of value = £24,500;
  - Value of dwelling for mortgage purposes = £220,500;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £63,000.
175. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price.
176. The lower quartile average in 2020 was only just below the median at £238,000. That is in line with other years recently, suggesting that there are many similarly priced homes. On this basis, the purchase threshold for an entry-level home is £61,200.
177. Finally, it is worth assessing the purchase threshold for a new build home, since this most closely represents the cost of the new housing that will need to come forward in future if local people are to be accommodated. None of the 77 sales registered for The Tivetshalls since 2011 were newly built, so for this measure it was necessary to turn to South Norfolk data. The new build mean average price in 2020 was £312,894. The purchase threshold is therefore £80,459.
178. It is worth noting that the new build average for South Norfolk is dominated by larger detached housing, with the average price of a semi-detached substantially lower than the overall average at £255,383, and lower prices for terraces (£219,737) and flats (£162,894). The price data shows that prices in The Tivetshalls are slightly higher than South Norfolk as a whole, so it is not likely that new build terraces could be delivered for far less than the average lower quartile existing home in the parish. It is more conservative to base affordability expectations on the overall average new build price, with the caveat that a single average masks a large range of prices that could be achieved depending on the size and type of the dwelling.

## ii) Private Rented Sector (PRS)

179. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.
180. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable here, if they are willing or able to dedicate a higher proportion of their income to housing costs.
181. The property website Rightmove shows rental values for property in the parish. There were no rental listings at the time of writing in February 2021 so the area of search had to be widened. A 5-mile radius around the parish needed to be used to get a large enough sample size, which does include outer areas of Diss and Harleston that might not be strongly representative of the housing stock in the parish itself.
182. There were 26 rental properties within this area in February 2021. 11 of these had 2 bedrooms, which is the best proxy for an entry-level home.
183. The overall average monthly rent for all sizes was £783. The average entry-level (2 bedroom) monthly rent was £650.
184. The calculation for the PRS income threshold (overall average) is as follows:
- Annual rent = £783 x 12 = £9,396;
  - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £31,320.
185. The income threshold for the average entry-level rent produces a result of £26,000.
186. It is worth noting that the lack of rental listings in the parish is itself an indicator that local people may find it difficult to access housing that is affordable.

## A.3 Affordable Housing

187. There are a range of tenures that constitute the definition of Affordable Housing within the 2019 NPPF: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. More recently, a new product called First Homes has been proposed for introduction, to replace Starter Homes. Each of the affordable housing tenures are considered below.

### i) Social rent

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

189. To determine social rent levels, a statistical data return from Homes England is used. This data is only available at the Local Authority level so South Norfolk must act as a proxy for The Tivetshalls. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for South Norfolk in the table below.

190. To determine the income needed, it is again assumed that no more than 30% of household income should be spent on rent. The overall average across all property sizes is taken forward as the income threshold for social rent.

**Table A-1: Social rent levels, South Norfolk, 2019**

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£75.16	£85.30	£95.38	£110.28	£88.11
Annual average	£3,908	£4,436	£4,960	£5,735	£4,582
Income needed	£15,633	£17,742	£19,839	£22,938	£18,327

Source: Homes England, AECOM Calculations

### ii) Affordable rent

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

192. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

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

194. Comparing this result with the average entry-level annual private rent above indicates that the South Norfolk affordable rent levels cost more than 80% of the market in practice. They are around 89% of market rents. However, it is likely that larger properties will produce bigger discounts on market prices.

**Table A-2: Affordable rent levels, South Norfolk, 2019**

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£92.51	£110.26	£127.84	£158.24	£111.01
Annual average	£4,811	£5,734	£6,648	£8,228	£5,773
Income needed	£19,242	£22,934	£26,591	£32,914	£23,090

Source: Homes England, AECOM Calculations

### iii) Affordable home ownership

195. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and rent to buy. These are considered in turn below.
196. 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.” The most recent proposals for ‘Changes to the current planning system’ suggest that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

#### Discounted market housing

197. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.
198. As noted above, the average new build home in South Norfolk in 2020 was priced at £312,894, though less expensive (i.e. non-detached) house types are significantly cheaper. A more appropriate benchmark is therefore the median price in the existing Tivetshalls stock of £245,000. This is roughly equivalent to the cost of a new semi-detached home if the slightly higher cost of housing in the parish is reflected. It will be used as the benchmark for this assessment of the affordability of discounted market homes. That said, new build terraces or maisonettes would be cheaper, while new build housing for families requiring more space are likely to be more expensive.
199. For a discount of 30% – as in the Government’s proposed First Homes product – the purchase threshold can be calculated as follows:
- Value of average house price (2020) = £245,000;
  - Discounted by 30% = £171,500;
  - Purchase deposit at 10% of value = £17,150;
  - Value of dwelling for mortgage purposes = £154,350;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £44,100.
200. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home (with the discount benchmarked on the entry-level new build price as above). This would require income thresholds of £50,400, £37,800 and £31,500 respectively.
201. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq m and a build cost of £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in The Tivetshalls.

#### Shared ownership

202. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but set at a minimum of 10%) and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as ‘staircasing’.
203. 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.
204. To determine the affordability of shared ownership, calculations are again based on the average price of £245,000. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component

of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector). The affordability threshold is calculated as follows:

- A 25% equity share of £245,000 is £61,250;
- A 10% deposit of £6,125 is deducted, leaving a mortgage value of £55,125;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £15,750;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £183,750;
- The estimated annual rent at 2.5% of the unsold value is £4,594;
- This requires an income of £15,313 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £31,063 (£15,750 plus £15,313).

205. The same calculation is repeated for equity shares of 50% and 75%, producing affordability thresholds of £41,708 and £52,354 respectively.

206. It has recently been announced that the minimum equity share for shared ownership may fall to just 10% of the property value. If this can be delivered, the income required would be lower still. However, it is worth emphasising that the transition from 10% to 100% ownership would be slow, and during this period the rent on the 90% unsold value would not be subsidised. This product would therefore only be a realistic route to full ownership for households prepared to take a very long-term view.

#### **Rent to buy**

207. Rent to buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as PRS rents – the difference being that the occupant builds up equity.

## Appendix B : Housing Needs Assessment Glossary

### Adoption

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

### Affordability

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

### Affordability Ratio

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

### Affordable Housing (NPPF Definition)

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

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

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

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

### Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods<sup>14</sup>.

### 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.

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<sup>14</sup> 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, overcrowding, concealment or affordability, but who are yet to be offered a home suited to their needs.

### **Bedroom Standard<sup>15</sup>**

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

### **Co-living**

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

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

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

### **Community Right to Build Order<sup>16</sup>**

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

### **Concealed Families (Census definition)<sup>17</sup>**

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

### **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

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<sup>15</sup> See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

<sup>16</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>17</sup> See [http://webarhive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776\\_350282.pdf](http://webarhive.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.

### **Fair Share**

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

### **First Homes**

The Government is consulting on the introduction of First Homes as a new form of discounted market homes which will provide a discount of at least 30% on the price of new homes. The intention is that these homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments are likely to be required to provide 25% of Affordable Housing as First Homes.

### **Habitable Rooms**

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

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

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

### **Housing Market Area**

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

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

### **Housing Needs**

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

### **Housing Needs Assessment**

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

### **Housing Products**

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

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

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms);

or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between more than one household, for example a shared kitchen, are not counted.

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

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

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

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

### **Income Threshold**

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

### **Intercensal Period**

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

### **Intermediate Housing**

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

### **Life Stage modelling**

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

### **Life-time Homes**

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

### **Life-time Neighbourhoods**

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

### **Local Development Order**

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

### **Local Enterprise Partnership**

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

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

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

### **Local Planning Authority**

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

### **Local Plan**

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

### **Lower Quartile**

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

### **Lower Quartile Affordability Ratio**

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

### **Market Housing**

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

### **Mean (Average)**

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

### **Median**

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

### **Median Affordability Ratio**

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

### **Mortgage Ratio**

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years<sup>18</sup>, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

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

An NDO will grant planning permission for a particular type of development in a particular area. This could be either a particular development, or a particular class of development (for example retail or housing). A number of types of development

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<sup>18</sup> 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 parish.

### **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<sup>19</sup>**

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

### **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

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<sup>19</sup> 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.<sup>20</sup>

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<sup>20</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

