Bures

Housing Needs Assessment (HNA)

December, 2022

Quality information

Prepared by	Checked by	Approved by
Matthew Kearney Senior Consultant	Kerry Parr Associate Director	Kerry Parr Associate Director

Revision History

Revision	Revision date	Details	Authorized	Name	Position
1	November, 2022	First Draft	MK	Matthew Kearney	Senior Consultant
2	December 2022	Internal Review	KP	Kerry Parr	Associate Director
3	September 2023	Group Review	MT	Molly Thomas	Neighbourhood Plan Committee Member
4	October 2023	Locality Review	AO	Annabel Osborne	Neighbourhood Planning Officer
5	October 2023	Final Report	MK	Matthew Kearney	Senior Consultant

Prepared for: Bures Neighbourhood Plan Steering Group

Prepared by:

AECOM Infrastructure & Environment UK Limited
Aldgate Tower
2 Leman Street
London E1 8FA
United Kingdom
aecom.com

Table of Contents

List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LA	Local Authority
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
LSOA	Lower Layer Super Output Area
MSOA	Middle Layer Super Output Area
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OA	Output Area
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1. Bures is a Neighbourhood Area located in the local authority areas of Babergh and Braintree. The Neighbourhood Area boundary covers the areas administered by Bures parish council.

2. The 2021 Census suggest Bures has a population of 1,810 individuals, showing an increase of 219 since the 2011 Census.

3. Bures is a relatively small rural parish, located in the east of England which consists of two smaller villages called Bures St Mary (Babergh) and Bures Hamlet (Braintree). The NA is located approximately 10 miles from Colchester, which is likely to be the main service centre for residents. The NA is also located 22 miles from Ipswich and the smaller towns of Sudbury (6 miles) and Halstead (8 miles), which may also work as service centres to the parish. Bures is also situated in close proximity to the Dedham Vale Area of Natural Beauty

4. The Neighbourhood Plan Steering Group conducted a Housing Needs Survey in May 2022. It asked residents a series of key questions on their impressions of housing provision in the parish at present. The survey found that there was support within the parish for small level of housing development, although there were concerns related to the sustainability of larger developments in light of the lack of services currently available in the parish. The report cites a desire for a more diverse housing mix in the parish, to allow for younger people to access the housing market and for the older population to potentially downsize. However, there a concern regarding the affordability of housing options currently on offer in Bures. This HNA will complement this study by providing a statistical overview of the housing profile in a number of key areas.

5. There has been some development in Bures since 2011, with Babergh and Braintree providing completions data from 2011 to 2022 which showed the development of 52 dwellings. The total quantity of dwellings in the NA is therefore estimated to be 812.

6. Currently, the median house price in Bures is £350,000, having grown by 94% since 2012. Lower Quartile prices grew at a slower rate of 79% over the same time period, with the lowest 25% of housing on offer in the parish currently costing on average £287,500. Average household incomes in Bures are estimated to be around £46,560, which is an average of the figures for each village.

Conclusions- Tenure and Affordability

Current Tenure Profile

7. The 2021 Census suggests that Bures has a tenure profile which is dominated by households who own their own homes (74%), which is higher than Babergh (71%), Braintree (68%) and England (61%). Conversely, Bures has a smaller socially and private rented sector than in both LAs and the national average.

8.   Between 2001 and 2011, the private rented sector in Bures grew by 69%. The rate of growth in the NA is much faster than trends in Babergh and Braintree, which cumulatively grew by 6% over the same time period.

Affordability

9.   There are particularly acute issues of affordability in Bures, with the median house price requiring an income of £90,000, which is almost double the current average income, and an entry level new build home requiring a slightly higher income of £90,351.

10.   Affordability is improved in the rental market but a household would still require an average income of £48,000 to afford an entry-level rental property.

11.   There is a large gap between the affordability of renting and ownership, although the costs of both exceed the capacity of average earners. Even still, affordable home ownership products offer good potential to extend home ownership to more people in the parish. First Homes would be affordable to average earners but would need to be offered at the maximum discount level of 50%. Shared ownership at an equity share of 25% would be affordable to average earners, but they would require an income of £45,175, which is still only marginally below the average income.

12.   Finally, for those still unable to afford subsidised routes to home ownership or to rent from a private landlord, affordable and social rented housing performs a vital function.

Quantity of affordable housing to plan for.

13.   This HNA identifies that between now and the end of the Neighbourhood Plan Period, Bures could have a surplus of 1 affordable rental home per annum and potential demand for 4 units for affordable ownership per annum. This equates to a surplus of 16 affordable rental dwellings over the plan period and potential demand for 50 units of affordable home ownership.

14.   It is worth stressing here that the figures above are subject to a series of assumptions and estimates employed to ascertain future need and demand in the parish, which are explained in detail in Section 4. It is likely that the most acute affordability pressures will be felt by the lowest earners in the parish. To address these pressures as a priority would require a focus on the delivery of affordable and social rented accommodation.

Delivery expectations and recommended tenure split

15.   Babergh and Braintree have provided Bures with a cumulative indicative housing requirement figure of 48 dwellings, to be delivered in the parish by the end of the Neighbourhood Plan period. Given that both Local Authorities have a maximum requirement for 40% of these homes to be delivered as affordable, Bures has the potential to deliver up to 19 affordable homes during the Neighbourhood Plan period.

16.   This HNA recommends an affordable housing tenure split of 50% for Affordable Homeownership routes and 50% for Affordable Rental.

Conclusions- Type and Size

Current housing stock and demographic change

17. Currently, there are estimated to be 812 dwellings in Bures (based on the number of dwellings completed since the 2011 Census). The parish has a fairly diverse housing mix, which is made up of a considerable proportion of detached (44%), semi-detached (33%) and terraced (21%) dwellings. There are however very few flats available, which is a departure from what can be found in the district and nationally.

18. In terms of size, Bures has a high proportion of mid/larger sized homes of 3+ bedrooms, which represent 72% of the housing stock. This is higher than the average in both Babergh (68%) and Braintree (64%) and nationally (58%). Bures appears to have a considerable proportion of large 5+ bedroom homes (10%), which is again significant when compared to Babergh (6%) and Braintree (6%), and more than double the national average (5%). Generally, the data does suggest a housing profile that is biased towards larger family sized accommodation.

19. In turn, population projects suggest this change will intensify over time, with Bures expected to see an increase of 62% in the proportion of people aged 65+ over the NP period. This is in contrast to a potential decline in younger age groups.

The future housing mix

20. This study provides an insight into the likely need for different sizes of homes based on projected demographic change and gaps within the existing housing stock. To accommodate the future population of Bures and to diversify its housing mix, AECOM's modelling suggests prioritising the provision of smaller to midsized 1-3 bed dwellings over the NP period.

21. It does not reflect the preferences of individuals or their potential desire to live in larger dwellings than they 'need'. For this reason, it may not be advisable to restrict future housing delivery too strictly to smaller dwelling sizes as the model suggests. An additional factor is the existing historic character and density of the built environment, which may not be well-suited to flats – which is the form that 1-2 bedroom dwellings typically tend to take. In summary, there are good reasons to depart from the results of the HNA model to allow for more balance – retaining the emphasis on smaller homes but to a lower degree – if this aligns with the objectives of the community.

22. It is also important to remember that other factors should be considered in determining the overall dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the parish or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

Specialist Housing for Older People

23. ONS estimates suggest that there are currently around 227 individuals aged 75 or over living in Bures. This has grown from 181 persons in 2011 and is projected to increase to 341 by the end of the plan period in 2035, meaning that by 2035 people aged 75+ could account for 20% of the total Bures population.

24. Bures does not currently have any form of specialist care housing facilities on offer in the parish. There are a number of facilities on offer within a 10km of the parish.

25. This HNA uses two different methods of estimating the future need for specialist housing in Bures. These two methods of estimating the future need in Bures produce a range of 40 to 49 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

26. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district/borough level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).

27. It is considered that Bures position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Bures entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Bures, because of its size neighbouring Colchester is considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself would not overlap.

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

2. Approach

Research Questions

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

Tenure and Affordability

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

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

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

Type and Size

32. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. The Steering Group indicated that there is a perceived scarcity of smaller 2-bed homes in the NA, this will be explored in more detail in this chapter.

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

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

35. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

   RQ2: 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?

Relevant Data

36. 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 a range of other data sources, including:

   - Census 2011 and Census 2021 (the latter only available at the local authority level at present)

   - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information at the neighbourhood level;

   - ONS population and household projections for future years;

   - Valuation Office Agency (VOA) data on the current stock of housing;

   - Land Registry data on prices paid for housing within the local market;

   - Rental prices from Home.co.uk;

   - Local Authority housing waiting list data; and

   - Two SHMAS (Ipswich & Waveney, 2017 & Braintree, Colchester, Chelmsford and Tendring, 2015) were considered, but due to their date and their relatively disparate relationship to the parish, they are drawn on to a lesser degree.

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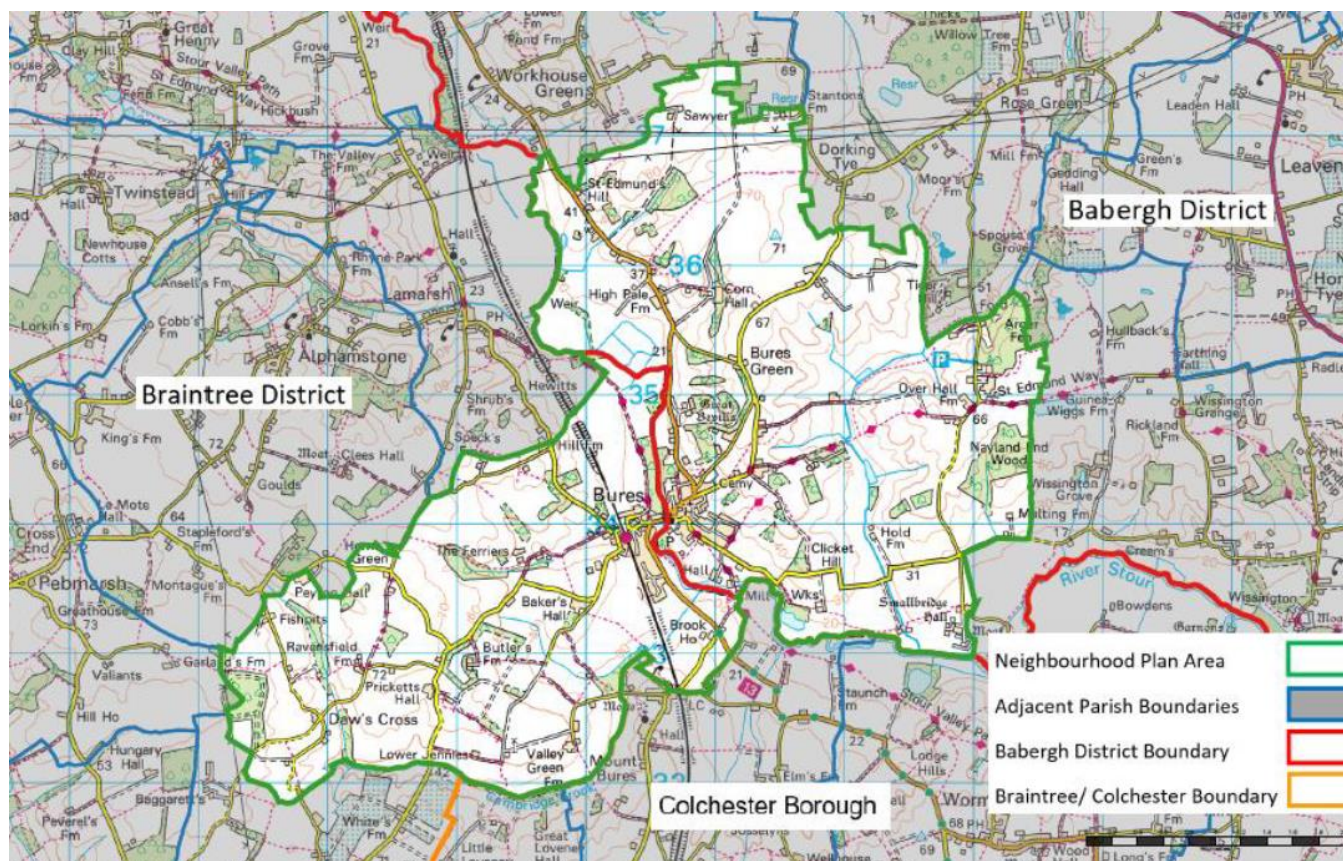
3. Context

Local context

38. Bures is a Neighbourhood Area which is governed by two Local Authorities (LAs). The Neighbourhood Area (NA) boundary was designated in January, 2022 and is comprised of two parishes: Bures which is administrated by Babergh and Bures Hamlet which sits in Braintree. They are located in the east of England.

39. The proposed Neighbourhood Plan period starts in 2021 and extends to 2035, therefore comprising a planning period of 14 years. The evidence supplied in this report will look forward to the Plan end date of 2035, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.

40. Bures is a relatively small rural parish and does not benefit from a wide range of services. It does, however, have a primary school and a number of small businesses. The village is divided by the river Stour which runs between both of the parishes, with Bures Hamlet set to the west and Bures St Mary to the east. The NA is located approximately 10 miles from Colchester, which is likely to be the main service centre for residents.

41. For Census purposes, the Neighbourhood Area is made up, like the rest of England, of statistical units called Output Areas (OAs). The designated NA boundary does not easily map to OAs, so for data collection purposes the OAs referenced below are used as the most realistic proxy of the NA. Although this area is set at a slightly larger spatial scale than the parish boundaries it represents the best reflection of the designated parish boundaries. Moreover, given the proximity, it is likely that the population of the wider area would still have a direct impact on the local housing market. The OAs used for gathering Census data in this study are as follows (a map of the relevant OAs is also included below):

   - E00152259 (Babergh)

   - E00152260 (Babergh)

   - E00152261 (Babergh)

   - E00108746 (Braintree)

   - E00108748 (Braintree)

   - E00173996 (Braintree)

42. The statistics show that in the 2021 Census the NA had a total of 1,810 residents, formed into 784 households. The population has grown by 219 individuals since the 2011 Census.

43. 2021 Census data on the number of dwellings has not yet been released, however from the 2011 Census there were 760 dwellings in Bures. Between 2012 and 2021 there were 52 (net) dwellings completed within the parish, taking the current housing stick to an

estimated 812 dwellings. Set against estimated population growth, it would suggest there are 1.6 people occupying each new dwelling.

44. When released in full, data from the 2021 Census will provide a more accurate picture of demographics in the parish. New Census data is expected to be released at various points across 2022, with parish-level data to follow in 2023. These figures will provide a more accurate picture of population growth and other details.

45. A map of the Plan area appears below in Figure 2-1.

Figure 3-1: Map of the Bures Neighbourhood Area[1]

Source: Babergh Neighbourhood Plan – Bures

The Housing Market Area Context

46. Whilst this HNA focuses on Bures neighbourhood area it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas. In the case of Bures, the NA sits across two LAs (Babergh and Braintree) which are each impacted by different housing markets. For Babergh, the housing market covers Ipswich, Babergh, Mid Suffolk, Suffolk Coastal area and Waveney.[2] Braintree is impacted by a housing market which Braintree,

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[1] Available at *https://www.babergh.gov.uk/assets/Neighbourhood-Planning/Bures-NP-Area-Map.pdf*
[2] https://www.midsuffolk.gov.uk/assets/Strategic-Planning/Current-Evidence-Base/Ipswich-and-Waveney-Housing-Market-Areas-Strategic-Housing-Market-Assessment-Part-1-May-2017.pdf
https://www.midsuffolk.gov.uk/assets/Strategic-Planning/Current-Evidence-Base/SHMA-Pt2-Sept-2017-2.pdf

Chelmsford, Colchester and Tendring.[3] This means that when households who live in these authorities move home, the vast majority move within this geography.

47. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Bures, are closely linked to other areas. In the case of Bures, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.

48. In summary, Bures functions within a wider strategic area. As well as fostering good working relationships with both local planning authorities (Babergh and Braintree), it is therefore useful to think about the role of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing polices to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

49. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.[4] In the case of Bures, the NP will need to account for Local Plans in two different Local Authority areas. The relevant adopted Local Plans for Babergh and Braintree consist of:

    - Babergh Local Plan 2011-2031 – Core Strategy & Policies (2014)
    - Braintree Local Plan 2013-2023 – Local Plan (Section's 1 & 2) (Adopted 2022)

50. Babergh and Mid Suffolk are currently in the process of producing a joint local plan, with a Local Development Scheme being approved by both LAs in October 2022. The document covers a period between 2022-2025, setting out a publication timetable for new planning policy documentation.

Policies in the adopted local plan

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

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[3] https://www.braintree.gov.uk/downloads/file/485/shma-document
[4] A description of the Basic Conditions of Neighbourhood Planning is available at https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum

Table 2-1: Summary of relevant adopted policies in the Babergh Core Strategy 2014

Policy	Provisions
Policy CS2: Settlement Pattern Policy	Babergh and Mid Suffolk classify settlements as Towns/Urban areas, Core Villages, Hinterland Villages and Countryside. Hitcham is classified as a Hinterland Village. Development in Hinterland villages will accommodate site allocations which respond to local need.
Policy CS3: Strategy for Growth and Development	The LA consider a 'new' growth of 2,500 dwellings would be appropriate in the district over the 20-year plan period. Based on existing commitments at the time of the plan adoption, this new growth equates to 2,430 new units. The plan also makes accommodations for a windfall figure of 1,640 dwellings. In total the plan makes provisions for the delivery of 5,975 new dwellings in Babergh between 2011-2031.
Policy CS19: Affordable Homes	All new residential dwellings that come forward will be required to provide 35% affordable housing. Based on the evidence in 2011, the plan recommends that this 35% of all housing should follow a tenure split of 75% socially rented and 25% affordable home ownership.

Table 2-1: Summary of relevant adopted policies in the Braintree Local Plan (2022)

Policy	Provisions
SP4 Meeting Housing Needs	Braintree have set a Housing requirement to deliver 716 new dwellings per annum, with a total minimum requirement for a minimum 14,320 dwellings over the plan period (2013-2033)
LPP 31 Affordable Housing	Where a proposal exceeds a threshold of 10 dwellings, a requirement of 40% of all housing, in areas that are not designated as main towns, should be delivered as affordable.

Quantity of housing to provide

52.　The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

53.　Braintree and Babergh have fulfilled that requirement by providing Bures with an indicative figure of between 37 – 54 dwellings to be accommodated within the Neighbourhood Area by the end of the Plan period.[5] This figure is a cumulative target based on target of 14 provided to Bures by Babergh LA, 9 of which having already been completed with a remaining target of 5. Braintree have provided the Steering Group with an organic growth figure of between 1.6 – 2.9 dwellings to be delivered within Bures Hamlet per annum.

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[5] As confirmed in email correspondence with representatives of both Babergh and Braintree LA's

4. RQ1: Tenure, Affordability and the Need for Affordable Housing

RQ2: What Affordable Housing (eg social housing, affordable rented, shared ownership, discounted market sale, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

Introduction

54. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.

55. 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.

56. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. The NPPF defines Affordable Housing as *'housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers; and which complies with one or more of the following definitions'[6].* The full document further outlines the tenures included in this definition. Those outlined in Table 4-1 would fall under this NPPF definition of Affordable Housing.

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[6] Available here -
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf

Table 4-1: Breakdown of Affordable Housing tenures

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

57. As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021.[7] Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:

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

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);

- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;

- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;

- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;

- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;

- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents;

- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

Current tenure profile

58. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.

59. Table 4-2 presents data on tenure in Bures compared with Braintree, Babergh and England from the 2021 Census, which is the most recent available source of this information. It suggests that a majority of households in Bures (74%) own their own homes, compared to 71% in Babergh and 68% in Braintree. Moreover, the table shows that Bures has an equal proportion of population occupying their homes through the private and socially rented markets. This proportion is slightly lower than both LAs and national trends.

60. Between 2011/2012 and 2020/21, according to completions data provided by both Braintree and Babergh, there were 52 (net) new dwellings. 13 of these were completed in Bures Hamlet (Braintree) and 39 were completed in Bures (Babergh). Affordable housing data is only provided by Babergh, where 12 were delivered in Bures St Mary.

61. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2011 and 2021 Census: in Bures the private rented sector expanded by 63% in that period, a rate of growth which is quite significant when compared to the 6% growth seen across both Babergh and Braintree

Table 4-2: Tenure (households) in Bures, 2021

Tenure	Bures	Babergh	Braintree	England
Owned	73.9%	71.0%	67.8%	61.3%
Shared ownership	0.3%	0.7%	0.7%	1.0%
Social rented	12.9%	13.3%	16.3%	17.1%
Private rented	12.9%	13.3%	15.1%	20.6%

Sources: Census 2011, AECOM Calculations

Affordability

House prices

62. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.

63. Figure 4-1 looks at the average and lower quartile house prices in Bures based on sales price data published by the Land Registry. It shows that the median, which is the middle number when you sort the data from smallest to largest, grew by 94% over the 10-year period. Otherwise, price growth was relatively stable year on year, other than a spike in prices seen in 2017. Considering this spike follows the mean, which is the average across the data, it would suggest there were a number of considerable high value sales over this period.

64. Lower Quartile (LQ) house prices represent the lowest 25% of the housing market. For Bures this trend generally follows a steadier growth, with the 2017 spike not as accentuated as it is with the mean and median. In 2021, the median house price is £350,000, the mean is £438,155 and the lower quartile is £287,500. Between 2012 and 2021 the mean house price grew by 63%, the median by 94% and the LQ by 79%.

Figure 4-1: House prices by quartile in Bures, 2012-2021
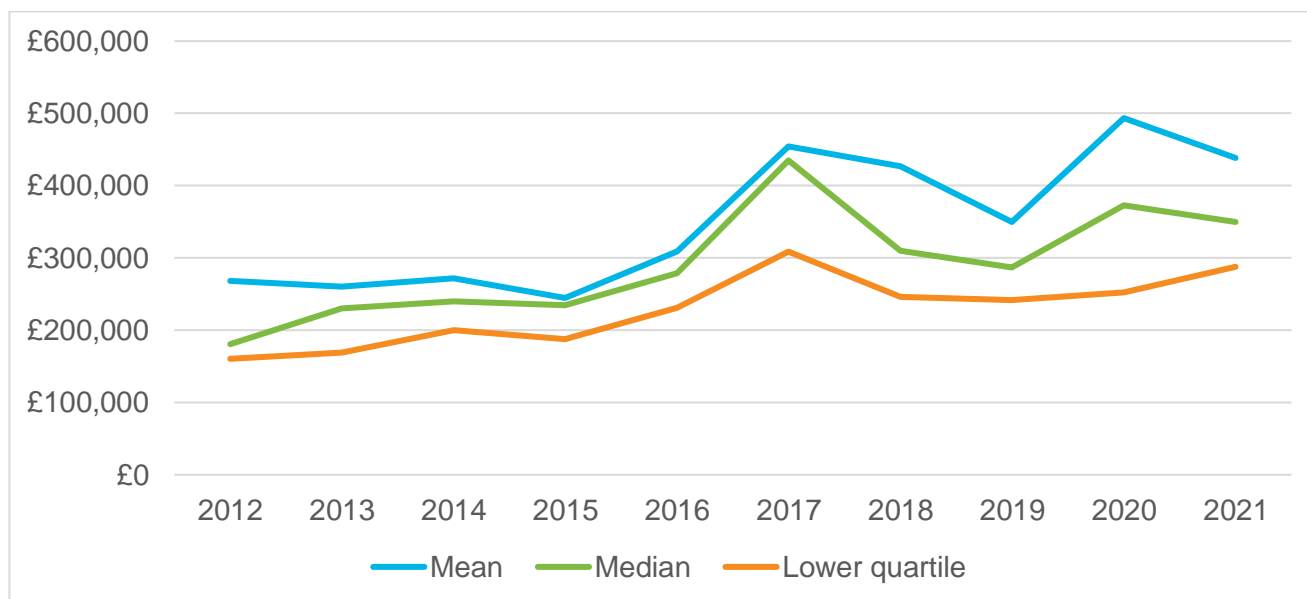
Source: Land Registry PPD

65. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that over the 10-year period there was a general increase of 94% across all housing types.

66. Semi-detached dwellings showed the most substantial growth (94%). In turn, detached dwellings grew by 49%, from a relatively high base of £342,000 in 2012 to £510,000 in 2021. Price rises of detached dwellings are having an impact on the average price growth. In turn, Flats (37%) and Terraced dwellings (41%) have seen the slowest growth in the parish although prices of these dwelling types are substantially higher than 10 years ago.

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

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£342,000	£340,750	£320,000	£272,500	£365,000	£506,250	£457,500	£482,500	£451,998	£510,000	49.1%
Semi-detached	£169,000	£282,000	£235,000	£237,000	£340,000	£315,000	£257,498	£290,000	£246,250	£327,500	93.8%
Terraced	£156,250	£169,500	£195,000	£193,750	£223,500	£252,500	£185,000	£247,500	£277,500	£214,000	37.0%
Flats	£145,000	£136,500	£145,000	£153,250	£189,500	-	£440,000	-	-	£205,000	41.4%
All Types	**£180,750**	**£230,000**	**£240,000**	**£235,000**	**£279,000**	**£435,000**	**£310,000**	**£287,000**	**£372,500**	**£350,000**	93.6%

Source: Land Registry PPD

Income

67. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.

68. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £45,600 in 2018. Considering the NA sits across two LAs, to give a more reflective picture of incomes in the NA, the figure above is an average taken from two larger areas, which were £44,800 in the area

relative to Bures (Babergh) and £46,400 in Bures Hamlet (Braintree). A map of the area to which this data applies is provided in Appendix A.

69. 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's gross individual lower quartile annual earnings were £16,584 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £31,168.

70. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

71. 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.

72. AECOM has determined thresholds for the income required in Bures to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.

73. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives.

74. The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.

75. The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be 11conservative, and the 30% benchmark is used as ONS's current standard assumption.

76. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter

the picture of affordability that emerges here. This is another reason to interpret the findings with a degree of flexibility.

77. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

78. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £45,600	Affordable on LQ earnings (single earner)? £16,584	Affordable on LQ earnings (2 earners)? £33,168
Market Housing						
Median House Price	£315,000	-	**£90,000**	No	No	No
Estimated NA New Build Entry-Level House Price	£316,229		**£90,351**	No	No	No
LQ/Entry-level House Price	£258,750	-	**£73,929**	No	No	No
LA New Build Median House Price	£346,478	-	**£98,994**	No	No	No
Average Market Rent	-	£20,016	**£66,720**	No	No	No
Entry-level Market Rent	-	£14,400	**£48,000**	Marginal	No	No
Affordable Home Ownership						
First Homes (-30%)	£221,361	-	**£63,246**	No	No	No
First Homes (-40%)	£189,738	-	**£54,211**	No	No	No
First Homes (-50%)	£158,115	-	**£45,176**	Marginal	No	No
Shared Ownership (50%)	£158,115	£4,392	**£59,816**	No	No	No
Shared Ownership (25%)	£79,057	£6,588	**£44,548**	Yes	No	No
Shared Ownership (10%)	£31,623	£7,906	**£35,388**	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£6,484	**£21,593**	Yes	No	Yes
Social Rent	-	£4,997	**£16,641**	Yes	Marginal	Yes

Source: AECOM Calculations

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

and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

80. The most notable figures from Table 4-4 above are that median and entry level new build homes are generally unaffordable for households on average incomes. The median house price in Bures would require an income of £90,000, which is around double the household average income. As such, it can be concluded that Bures may be experiencing particularly acute issues of affordability. This will be explored for a variety of different tenure options in the following sections.

Market housing for purchase and rent

81. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. As mentioned above, the median house price would require an annual income 193% higher than the current average. The figure is similar (194%) for the entry level new build home in the NA.

82. Affordability does not improve significantly in the rental market, where the average market rent would require a household income of £66,270, which represents 142% of the average income. Entry level rents may be marginally affordable to average earners. Households made up of two lower quartile earners could not afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

83. There is a relatively large group of households in Bures who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £48,000 per year (at which point entry-level rents become affordable) and £90,351 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.

84. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.

85. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. First Homes become affordable to average earners at discounts of 50%, which would require an income of £45,176 similar to average incomes in the NA. Thus, First Homes discounted at 50% could extend home ownership to households on average incomes locally.

86. Table 4-5 shows the discount required for First Homes to be affordable to three income groups. The cost of a typical First Home is calculated using an estimate for new build

entry-level housing in the NA, as outlined in the Appendix. It is also worth considering the discounts required for some additional price benchmarks. The table above uses the calculated NA new build entry-level house price as the best estimate for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single earner LQ	Dual earning household LQ
NA Median House Price	49%	82%	63%
NA Estimated New Build Entry-Level House Price	50%	82%	63%
NA Entry-Level House Price	38%	78%	55%
LA Median New Build House Price	54%	83%	66%

Source: Land Registry PPD; ONS MSOA total household income

87. Shared ownership appears to be more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.[8] If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

88. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.

89. The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford average market rents. On that basis, First Homes and shared ownership are more affordable options in this location.

90. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.

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

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.

- Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.

- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.

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

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

Affordable rented housing

92. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will require additional subsidy through Housing Benefit to access housing.

93. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Bures as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Figure 4-2: Affordability thresholds in Bures, income required (additional cost of deposit in black)
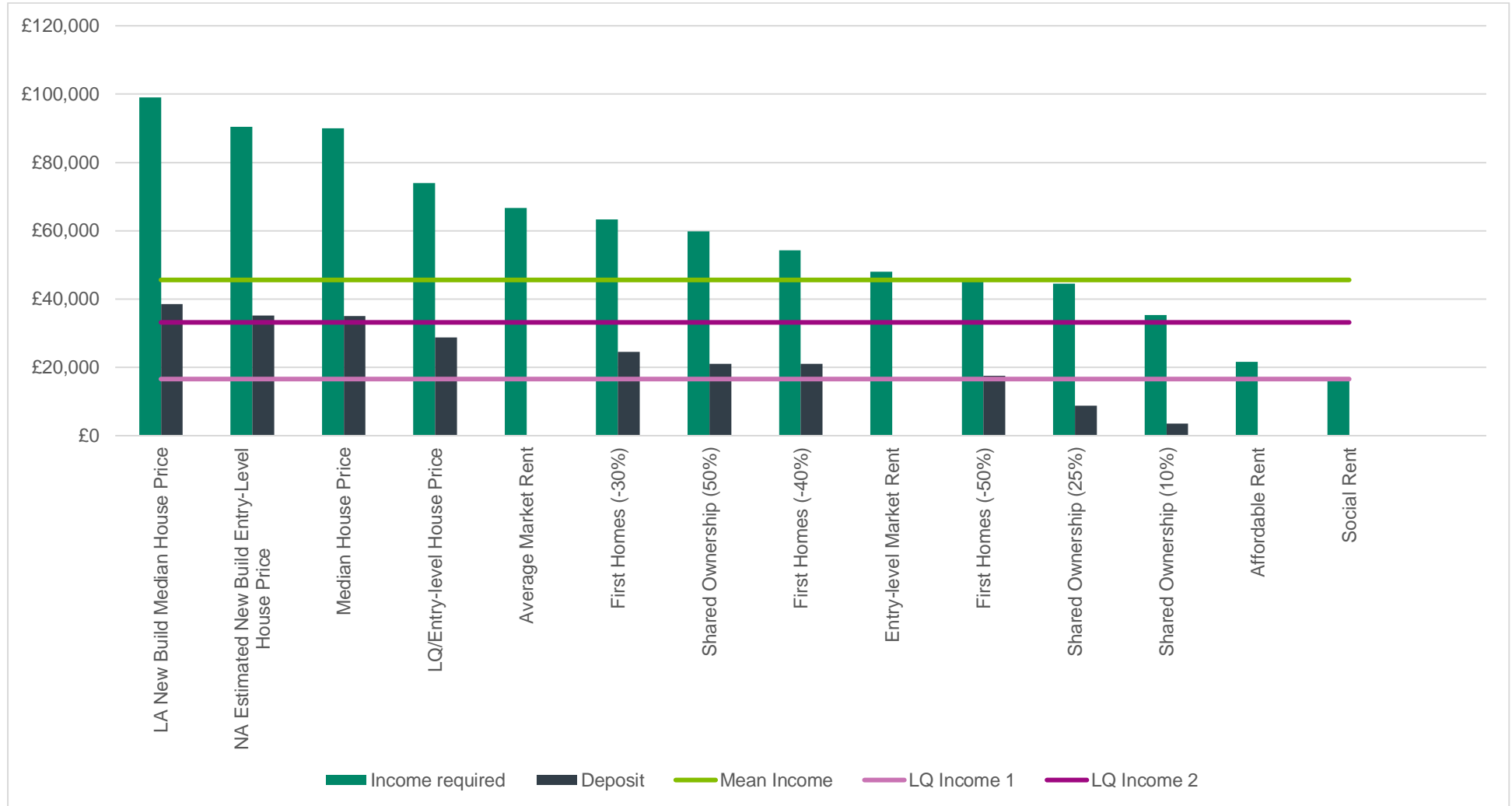
Source: AECOM Calculations

Affordable housing- quantity needed

94. The starting point for understanding the need for affordable housing in Bures is the relevant Strategic Housing Market Assessment (SHMA). For Bures, there are two relevant SHMA's, each conducted for areas relevant to each LA. A SHMA was undertaken for the Ipswich and Waveney Housing Market Areas in May 2017, and similarly a SHMA covering Braintree, Chelmsford, Colchester and Tendring published in 2015. This study estimates the need for affordable housing in each District based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time. The SHMA relevant to Babergh identified an unmet need for 1,187 additional homes per annum in the HMA. The SHMA relevant to Braintree identifies the need for 822 new dwellings per annum over the district between 2013 and 2037.

95. When the SHMA figures are pro-rated to the parish based on its fair share of the population (0.5% of the Babergh population and 0.2% of the Braintree population). This equates to 6 homes per annum (predominately for social/affordable rent) or 84 homes over the Neighbourhood Plan period for Bures (Babergh) and equates to 2 homes per annum Bures Hamlet (Braintree) or 28 homes over the Neighbourhood Plan period.

96. There are a number of issues to consider regarding the figures from the relevant SHMA's. The first is the scale at which both have been conducted, covering a up 7 differing LA's, which may not be accurately reflective of need in the parish. Next, the SHMA for Babergh was conducted in 2017, and the SHMA for Braintree in 2015, given the date of each it is likely these figures may give an outdated picture of housing need in the parishes. Finally, when considering that this HNA is relevant to two parishes sitting across two LAs, influenced by two housing market areas, providing a more locally specific calculation may better reflect housing need in the parish.

97. This is done using AECOM's own modelling which provides a more localised picture of need.

98. In Table 4-6 we have calculated, using PPG as a starting point,[9] an estimate of the total need for affordable rented housing in Bures over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic polices, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.

99. It should also be noted that figures in Table 4-6 are largely dependent on information provided by Babergh and Braintree in its capacity as manager of the local housing waiting list.

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

100. The table shows that there are currently about 12 households in Bures unable to access affordable rented homes suitable to their needs. This figure consists of waiting list information provided Braintree and Babergh. Neighbourhood level was not available from Babergh, as such the figure for this area is prorated from the annual turnover of socially rented properties in the district (391). Braintree have 10 households who need socially rented accommodation, and Babergh have 2 (based on this area of the parish representing 0.5% of the Babergh population). The table also suggests that, over the Plan period, there is a surplus of 1 dwelling per annum, equating to a surplus of 17 dwellings over the plan period.

101. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 36 households). The reason for the affordable rented housing need being met over the long-term with the presumed existing stock, is that model uses an estimated rate of turnover of stock of 3%. Therefore, of the 91 units of affordable rented accommodation existing currently, it can be expected that around 3 will come vacant in any given year as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change. This satisfies the projected newly arising need as well as some of the backlog, which is effectively spread out over the 10-year period to produce an annualized figure.

102. An important caveat to this finding is that the NA may be meeting wider needs within the District/Borough. As such, whilst it may be possible to address localised needs through the existing stock, new affordable rented housing may be required to continue to provide homes for households in acute need living elsewhere in the LPA.

103. A further caveat worth emphasizing is that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2 bedrooms while the applicant household might require 4 bedrooms, may be located in an inappropriate location, or be otherwise unsuitable.

104. As such, it may be appropriate for Bures to encourage the delivery of some affordable rented housing, with the understanding even if this would meet all of the localised need, it may also help to meet needs from elsewhere in the district. The NA's wider strategic role in the delivery of Affordable Housing should be discussed with the LPA.

Table 4-6: Estimate of need for Affordable Housing for rent in Bures

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	13.0	Neighbourhood level re-lets, provided by Babergh and Braintree
1.2 Per annum	**0.9**	1.1 divided by the plan period 2021-2035
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	36.1	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	24.3%	(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	90.7	2011 Census + LA-level % increase
2.2.2 Number of private renters on housing benefits	12.8	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	8.8	Step 2.1 * Step 2.2
2.4 Per annum	**0.6**	Step 2.3 divided by plan period 2021-2035
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year
3.2 Supply of social/affordable re-lets (including transfers)	**2.7**	Step 3.1 x NA social rented stock (2.2.1)
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall shortfall (or surplus) per annum	**-1.2**	Step 1.2 + Step 2.4 - Step 3.2
Overall shortfall (or surplus) over the plan period	**-17.4**	(Step 1.1 + Step 2.3) - Step 3.2 * plan period

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

105. Turning now to Affordable Housing providing a route to home ownership, Table 4-7 estimates the potential demand in Bures. This model aims to estimate the number of households that might wish to own their own home but cannot afford to – the 'can rent, can't buy' group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

106. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to

afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.[10] No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

107. The result of the calculation is 4 households per annum who may be interested in affordable home ownership (or 50 for the entirety of the Plan period).

108. Again, this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently.

109. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

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[10] http://www.ipsos-mori-generations.com/housing.html

Table 4-7: Estimate of the potential demand for affordable housing for sale Bures

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in parish	75.6	Census 2011 number of renters x national % increase to 2018.
1.2 Percentage renters on housing benefit in LA	17.0%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in parish	12.8	Step 1.1 x Step 1.2.
1.4 Current need (households)	47.1	Current renters minus those on housing benefit and minus 25% assumed to rent by choice.[11]
1.5 Per annum	**3.4**	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	36.1	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	10.1%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	3.6	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	**0.3**	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	1.2	Number of shared ownership homes in parish (Census 2011 + LA new build to 2018/19 pro rated to NA).
3.2 Supply - intermediate resales	**0.1**	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall per annum	**3.6**	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall (or surplus) over the plan period	**50.1**	(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period

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

110. 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

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

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).

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

Affordable Housing policy guidance

112. Given that Bures covers two LAs the parish will be administered by two different local plan policies relevant to Affordable Housing. Braintree's Local Plan requires that 40% of all new housing be provided as affordable, whereas Babergh's Local Plan requires 35%. Given that Affordable Housing made up approximately just 23% of new housing in Bures over the last decade according to Babergh and Braintree completions figures, it is understood that this target is not fully met on sites in the NA.

113. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.

114. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is different for each of the LA's. Within Babergh, 75% should be given to Social/Affordable rental and 25% for affordable home ownership. A tenure split it not provided by Babergh and as such remains a matter to be informed by the latest evidence. The HNA can supply more localized evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Bure specifically.

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

   A. **Evidence of need for Affordable Housing**: This study estimates that Bures is capable of meeting localized need for affordable rent over the plan period and likely has some capacity to meet wider needs. There may be additional potential demand for 50 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.

   The relationship between these figures would suggest that Bures should focus on the delivery of affordable home ownership options. However, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally

adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.

The Babergh Local Plan provides a recommended tenure split (75% affordable rental and 25% affordable home ownership). However, based on AECOM's estimate of localized need in this NA, it may be worth flexing this tenure split so it relates more closely to the local housing context.

B. **Can Affordable Housing needs be met in full?** How far more urgently needed affordable rented housing (whether local or need from the the wider area) should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.

Cumulatively both Babergh and Braintree LAs have provided the parish with a Housing Requirement Figure of between 32-49 new dwellings over the Local Plan periods. As the Bures NP covers a period longer than both the Local Plans, it is worth pro rating these figures forward to the end of the NP period. Braintree provided the Steering Group with an organic growth figure of between 1.6 and 2.9 dwellings per annum. To meet Braintree's part of its requirement, Bures would need to deliver between 23-40 dwellings to the end of the NP period (2035). Annualising the figure of 14 from Babergh would suggest an annual growth of 0.7 dwellings, or 17 dwellings from the start of the Babergh Local plan period (2011) to the end of the Bures NP period (2035). Nine of these dwellings have been completed leaving a requirement of 8 dwellings. For the purpose of this exercise, it is useful to take forward the upper end of the NA's requirement (48 dwellings ie 40 for Braintree and 8 for Babergh) to understand the potential for Affordable Housing delivery.

The two LAs have slightly different Affordable Housing targets in their respective Local Plans, Babergh requires 35% and Braintree requires 40%. If both targets were met in full Bures would be expected to deliver 19 units of Affordable Housing over the NP period. 16 of these would be delivered in the area of the parish governed by Braintree and 3 for Babergh.

If the majority of Bures' HRF is expected to come forward in the form of small infill developments, those schemes are unlikely to be large enough to meet the threshold of 10 dwellings, above which the Affordable Housing policy applies for both LA's. If that is the case, the potential delivery of Affordable Housing is likely to be lower still. This is not sufficient to satisfy the total potential demand for Affordable Housing identified here.

It is worth noting that the Steering Group may wish to work together with both Babergh and Braintree to deliver on Affordable Housing Targets across the parish. If a larger site is available which is capable of delivering on the targets together, rather than on sites within the boundaries of each LA. However, this is a matter for discussion between the Steering Group and both LAs and beyond the scope of this HNA.

C. **Government policy (e.g. NPPF) requirements**: current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in Babergh, where 35% of all housing should be affordable, a minimum of 29% of all Affordable Housing should be for affordable ownership. For Braintree the figure would be 25%. Braintree do not prescribe a tenure split in their Local Plan, and for Babergh this would not comply with the guideline tenure split sought in their Local Plan.

D. **Local Plan policy**: As noted above, the adopted Local Plan for Babergh seeks a tenure split of 75% for affordable rental and 25% for affordable home ownership. Braintree does not prescribe a tenure split in their Local Plan.

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

This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. Given the commentary included in point C, and the 75/25 tenure split referenced above, adopting the 25% minimum requirement would have a displacement effect on providing other affordable housing products.

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

AECOM is aware that some Local Planning Authorities are considering 'top slicing' their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. If this was done in Babergh and Braintree, the remaining 75% of the affordable housing provision would then be apportioned 70% to affordable rent and 30% to affordable home ownership. If this approach is taken, all other things being equal, it would reduce the provision of rented forms of affordable housing since it would effectively protect the provision of other forms of affordable home ownership alongside First Homes. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.

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

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

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

H. **Existing tenure mix in Bures**: The socially rented sector in Bures is smaller than the averages in Babergh, Braintree and nationally, by approximately 1, 5 and 6 percentage points respectively. Alongside particularly poor affordability of housing on the open market, it can be suggested that some provision of Affordable Housing would offer a wider choice of homes for local residents. It may also allow those on lower incomes including newly forming households and younger families to remain in or move to the area.

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

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

116. On the basis of the considerations above, Table 4-8 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

117. Given what has been presented above in points A-J, this HNA would suggest a tenure split of 50% for affordable rental and 50% for affordable ownership might be more appropriate to meeting localised need. This split would represent a departure from the one in the Babergh Local Plan. However, this indicative mix is a response to updates to national policy on the delivery of Affordable Housing which require delivery of First Homes, as well as evidence of local need for affordable home ownership. Adopting the mix recommended above would allow for 10% of all housing delivery to be affordable and would meet the national requirement for 25% of all Affordable Housing to be delivered as First Homes. In the interests of diversity and maximising choice, a further 15% could be allocated

to shared ownership, and a further 10% could be provided as Rent to Buy, enabling those with limited savings to build a deposit to buy.

118. The evidence of local affordable housing needs suggests there is limited localised need for affordable rented housing. However, existing and new affordable rented housing in the NA may contribute to meeting acute needs across the wider local authority areas. This tenure mix would enable this to be delivered.

119. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.

120. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with both Babergh and Braintree to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.

121. 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 4-8: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	**50%**	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	15%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	10%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	**50%**	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current Tenure Profile

122. The 2021 Census suggests that Bures has a tenure profile which is dominated by households who own their own homes (74%), higher than both Babergh (71%), Braintree (68%) and England (61%). Conversely, Bures has a smaller socially and private rented sector than in both LAs and the national average.

123. Between 2011 and 2021, the private rented sector in Bures grew by 69%. The rate of growth in the NA is much faster than trends in both Babergh and Braintree, which grew by 6%.

Affordability

124. Currently, the median house price in Bures is £350,000, having grown by 94% since 2012. Lower Quartile prices grew at a slower rate of 79% over the same time period, with the lowest 25% of housing on offer in the parish currently costing on average £287,500.

125. Average household incomes in Bures are estimated to be around £45,600, which is an average of two figures representing each area which is governed by each LA. Whilst this is the average income, many households in Bures have substantially lower incomes. The lower quartile individual income (that of the lowest earning 25% of people) is £16,584 in 2020, so a household with tow lower earners could be expected to earn around £31,168.

126. There are particularly acute issues of affordability in Bures, with the median house price requiring an income of £90,000, which is almost double the current average income, with an entry level new build home requiring a slightly higher income of £90,351.

127. Affordability is improved in the rental market but would still require an average income of £48,000 to be considered affordability. This threshold may be marginally affordable for average incomes but would still present some affordability pressures.

128. There is a large gap between the affordability of renting and ownership, both of which are beyond the threshold of average household incomes. As such, affordable home ownership products offer good potential to extend home ownership in the parish. To be considered affordable to average earners, First homes would need to be offered at a minimum discount of 50%. Shared ownerships at an equity share of 25% would be affordable to average earners, but this would require an income of £45,175, which is still only marginally below the average income.

129. Finally, for those still unable to afford subsidised routes to home ownership or to rent from a private landlord, affordable and social rented housing performs a vital function.

Quantity of affordable housing to plan for.

130. Two separate SHMA's were conducted which include Babergh and Braintree, which consider the housing needs of both districts. However, having been published in 2017 and 2015 respectively, the documents may not provide an accurate picture of the current housing needs of the parish. As an alternative to these figures, AECOM's own modelling has been used to understand need in the parish.

131. The models identify a surplus of 1 affordable rental home per annum and suggest the potential demand for 4 units for affordable ownership. This equates to a surplus of 17 affordable rental dwellings over the plan period and the potential demand for 50 additional affordable home ownership properties.

132. It should be noted that the surplus associated with affordable rental options relies on information provided by both Babergh and Braintree LAs housing waiting lists. Whilst Braintree collated this information, Babergh did not. As such, the figure for Babergh is prorated from district level figures (based on this area of the parish representing 0.5% of the district population), Moreover, it assumes a turnover of 3% of the currently socially rented stock year on year. As such, the model used

here presents a blunt quantitative result, and the surplus produced by the model may not reflect the lived experience of residents in the parish.

133. Given that Bures had a smaller socially rented sector than both LA's and national averages and considering the particularly pricing pressures in the parish it would be worthwhile to take this into account when the Steering Group are designing housing policies which speak to an established need in the parish. Moreover, providing a provision of socially/affordable rental homes will provide for the lowest earners in Bures.

Delivery expectations and recommended tenure split

134. On the basis of Bures' indicative housing requirement figure taken forward in this report of 48 dwellings over Neighbourhood Plan period, and the maximum requirement that around 40% of these homes might be delivered as affordable, the parish has the potential to deliver 19 affordable homes in the period up to 2035.   In practice, delivery is likely to be lower as not all sites will deliver Affordable Housing e.g., if they are small sites.

135. Table 4-9 summarises Bures' position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plan for more housing (and therefore more affordable housing) than the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-9: Estimated potential delivery of Affordable Housing in Bures

	Step in Estimation	Expected delivery
A	Residual housing requirement figure made up of sum of allocations and existing commitments	48
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	19
D	Rented % (e.g. social/ affordable rented)	50%
E	Rented number (C x D)	10
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	50%
G	Affordable home ownership number (C x F)	10

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

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

5. RQ2: Type and Size

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

Introduction

137. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Bures in terms of type and size, as well as some of the population characteristics that tend to influence housing needs. From this, it is possible to develop an understanding of what sort of housing would be appropriate going forward.

138. 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 evidence in this section, particularly the indicative size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

Existing types and sizes

Background and definitions

139. Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those having more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.

140. 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.

141. 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.

142. 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.

143. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. For some aspects, such as the size mix of homes, adding together Census figures and completions data for the intervening period is highly accurate. For others, such as the type mix of homes, this method is not available and Valuation Office Agency (VOA) must be used. The most appropriate combination of approaches is used in this section.

Dwelling type

144. There were 760 dwellings within Bures parish at the time of the 2011 Census, with 52 dwellings completed (net) since, taking the housing stock to 812 (estimated).

145. Table 5-1 below provides a breakdown of the housing profile in terms of dwelling type. Following the 2021 Census Detached dwellings (44%) represented the highest proportion of dwellings in the parish. There were also a high proportion of Semi-Detached (32%) and Terraced (22%) on offer in the parish. Conversely, there is quite a low proportion of Flats, which represent only 3% of the housing stock.

146. The dwelling type figures from the 2011 Census are presented alongside those from 2021 in table 5-1. It shows minor variations across the different categories, but it does not suggest that the Bures housing stock will have changed dramatically since in the last 10 years.

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

Dwelling type	2011 (Census)	2021 (Census)
Flat	2.6%	2.0%
Terrace	20.8%	22.2%
Semi-detached	32.5%	31.6%
Detached	44.1%	43.8%
Unknown/other	-	
Total	100%	100%

Source: ONS 2011, VOA 2021, AECOM Calculations

147. Table 5-1 below compares Bures' housing profile to both LAs and England. The table shows that Bures has a housing stock that is closer to Babergh than it is to Braintree with a high proportion of detached homes and more limited proportions of smaller dwellings such as terraces and flats. The housing stock in Bures has a substantially higher proportion of detached homes when compared to England as a whole.

Table 5-1: Accommodation type, Bures, 2011

Dwelling type		Bures	Babergh	Braintree	England
Whole house or bungalow	Detached	44.1%	41.6%	28.7%	22.4%
	Semi-detached	32.5%	29.4%	33.9%	31.2%
	Terraced	20.8%	21.7%	24.0%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	0.9%	5.5%	11.3%	16.4%
	Parts of a converted or shared house	1.2%	0.9%	1.2%	3.8%
	In commercial building	0.5%	0.8%	0.6%	1.0%

Source: ONS 2011, AECOM Calculations

Dwelling size

148. Table 5-2 below presents data on the size mix in Bures in terms of bedrooms. At present, the 2011 Census represents the most accurate reflection of the dwelling size in the NA.

149. The data shows that there is a large proportion 3+ bedroom homes in Bures. Approximately 72% of the dwellings in the parish have more than 3 bedrooms, which would suggest the parish has a residential profile in favour of family sized accommodation. Moreover, the higher presence of mid and larger sized dwellings contributes to the higher prices referenced in the previous chapter.

150. When newly completed dwellings are incorporated into the 2011 Census data there does not appear to be much variation in housing size. As such, it can be concluded that it is unlikely the housing mix on offer will have changed significantly since the 2011 Census.

Table 5-2: Dwelling size (bedrooms), Bures, 2011 and 2021

Number of bedrooms	2011 (Census)	Completions 2011-2021 (Babergh/Braintree)	2021 total (Census + completions)
Studio	X	X	x
1	22 (3.0%)	X	22 (3.0%)
2	192 (26.4%)	11	203 (25.4%)
3	288 (39.7%)	26	314 (39.3%)
4+	233 (32.1%)	26	259 (32.5%)
Unknown	X	X	X
Total	726	x	798

Source: ONS 2011, VOA 2021, AECOM Calculations

151. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Bures generally follows the trend in Babergh with little variation between the number of bedrooms on offer in the

two geographies. There does not appear to much significant variation between Bures and Braintree, other than a higher proportion of 1 bed homes in Braintree and a larger proportion of 5+ bedroom homes in the NA than can typically be found across Braintree.

Table 5-3: Number of bedrooms in household spaces in Bures, 2011

Bedrooms	Bures	Babergh	Braintree	England
All categories: no. of bedrooms	**100.0%**	**100.0%**	**100.0%**	**100.0%**
No. bedrooms	0.1%	0.1%	0.2%	0.2%
1 bedroom	3.0%	6.3%	8.4%	11.8%
2 bedrooms	26.4%	25.4%	27.2%	27.9%
3 bedrooms	39.7%	42.0%	41.0%	41.2%
4 bedrooms	20.5%	20.2%	17.6%	14.4%
5 or more bedrooms	10.2%	6.0%	5.6%	4.6%

Source: ONS 2011, AECOM Calculations

Age and household composition

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

Age structure

153. Table 5-4 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures.

154. ONS (2020) population projections place the Bures population at approximately 1,751, which is a 10.7% increase from the 2011 Census (1,581). 2021 Census data shows that the population of Bures grew by 14.5% between 2011 and 2021, from 1,581 to 1,810. 2021 Census data on age structure has not yet been released, but given that there is not significant variation between the ONS projection and the 2021 Census total, ONS figures can be used as a reasonable proxy for any changes in the age profile of the Bures population.

155. According to ONS data presented in table 5-4 below, the largest cohort of the population is aged between 45-64 (27%), followed by those aged between 25-44 (22%) and 65-84 (21%). The latter two cohorts see the most significant change over the ten-year period, with those aged between 65-84 seeing an increase of 25% and those aged between 25-44 decreasing by 8%. The ONS data also suggests an increase of 23% for those aged between 16-24 and an increase of 16% for the cohort aged 45-64. Both Census 2011 and ONS 2020 estimates suggest Bures has a slight older bias in its population, with those aged 45+ representing 52% of the population in the 2011 Census data increasing to 55% in the ONS figures.

156. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.

157. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

Table 5-4: Age structure of Bures population, 2011 and 2020

Age group	2011 (Census)		2020 (ONS, estimated)		% Change
0-15	303	19.2%	331	18.9%	9.2%
16-24	120	7.6%	147	8.4%	22.5%
25-44	343	21.7%	317	18.1%	-7.6%
45-64	425	26.9%	491	28.0%	15.5%
65-84	337	21.3%	420	24.0%	24.6%
85 and over	53	3.4%	46	2.6%	-13.2%
Total	1,581	100%	1,752	100%	-

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

158. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2011 Census data) shows that Bures has a higher proportion of its population aged between 65-84 than can typically be found across both Babergh and Braintree, and nationally. Conversely, the graph shows there to be a lowest proportion of the population aged between 16-44 than can be found across both authority areas. Generally, the pattern is for a larger proportion of middle aged and early retirees in Bures.

Figure 5-1: Age structure in Bures, 2011
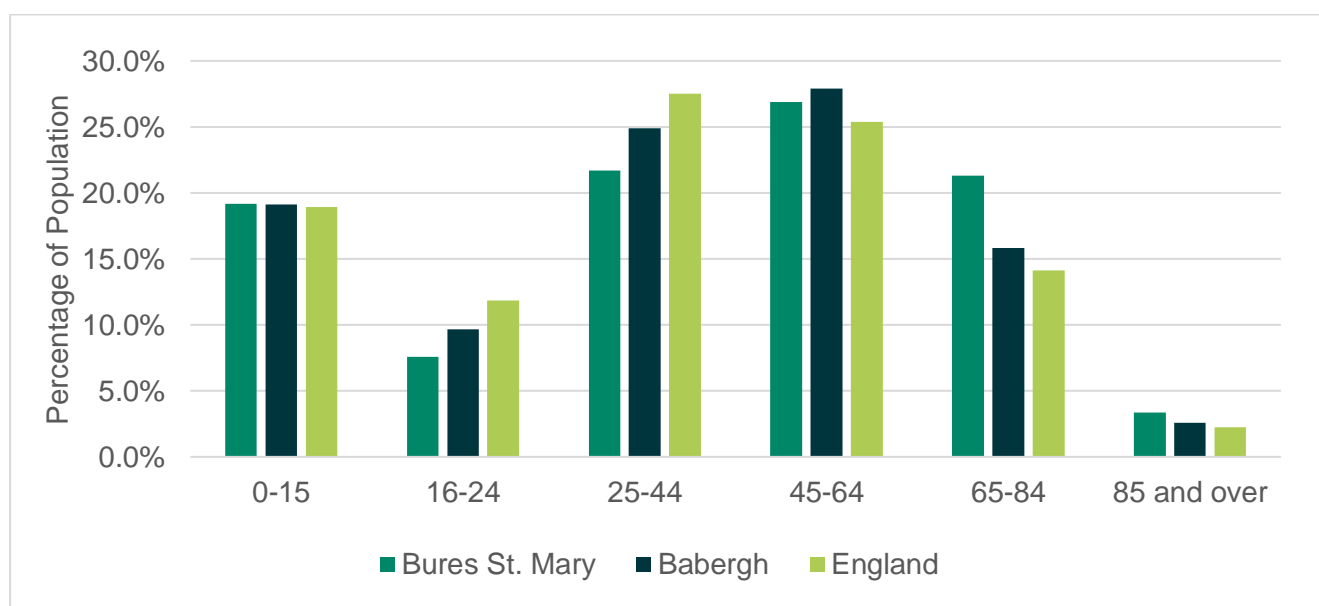
Source: ONS 2011, AECOM Calculations

Household composition

159. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-5 shows that Bures generally follows the pattern across both LAs in terms of household composition. The parish does, however, have a slightly smaller percentage of families with dependent and non-dependent children than both the LA's, and a larger percentage of family households with no children. Generally, the table shows that Bures has a higher proportion of older households and a lower percentage of households with children than can typically be found across Babergh and Braintree, and England.

160. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. While the data is quite old at this point, it is interesting to observe that this category grew by 12.6% between 2011 and 2021 in the parish.

Table 5-5: Household composition, Bures, 2021

Household composition		Bures	Babergh/ Braintree	England
One person household	**Total**	26.4%	27.5%	30.2%
	Aged 65 and over	16.3%	12.7%	12.4%
	Other	10.2%	14.8%	17.9%
One family only	**Total**	69.7%	67.9%	61.8%
	All aged 65 and over	11.7%	9.9%	8.1%
	With no children	25.1%	20.8%	17.6%
	With dependent children	24.1%	27.6%	26.5%
	With non-dependent children[12]	8.8%	9.6%	9.6%
Other household types	**Total**	3.9%	4.6%	8.0%

Source: ONS 2011, AECOM Calculations

Occupancy ratings

161. The tendency of households to over- or under-occupy their homes is relevant consideration to the future size needs of the NA. A household is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus

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

bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.

162. In terms of how homes are occupied in Bures, the table shows that none of the homes in the parish are considered to be over-occupied, where households do not have the number of bedrooms they might typically require. However, the figures do suggest that there are many dwellings with a 'surplus' of bedrooms. This is particularly prevalent with the older population, where every home occupied by families over 65 have at least one additional bedroom, and around 96% of dwellings occupied by a single person over 65 are underoccupied.

Table 5-6: Occupancy rating by age in Bures, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	73.2%	26.8%	0.0%	0.0%
Single person 65+	54.7%	41.5%	3.8%	0.0%
Family under 65 - no children	80.5%	18.3%	1.2%	0.0%
Family under 65 - dependent children	25.6%	50.0%	24.4%	0.0%
Family under 65 - adult children	39.3%	53.6%	7.1%	0.0%
Single person under 65	72.4%	24.1%	3.4%	0.0%
All households	56%	35%	8%	0%

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

Indicative future dwelling size mix

163. 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 Bures households in 2011.

    – The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.

    – As noted above, household life stages are not estimated annually, so the older Census data must be used.

- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.

    – ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.

- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.

  – This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.

  – The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.

- Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.

  – The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.

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

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

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

167. The first, given as Figure 5-1, sets out the relationship between household life stage and dwelling size for Babergh and Braintree in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-2: Age of household reference person by dwelling size in Babergh and Braintree, 2011
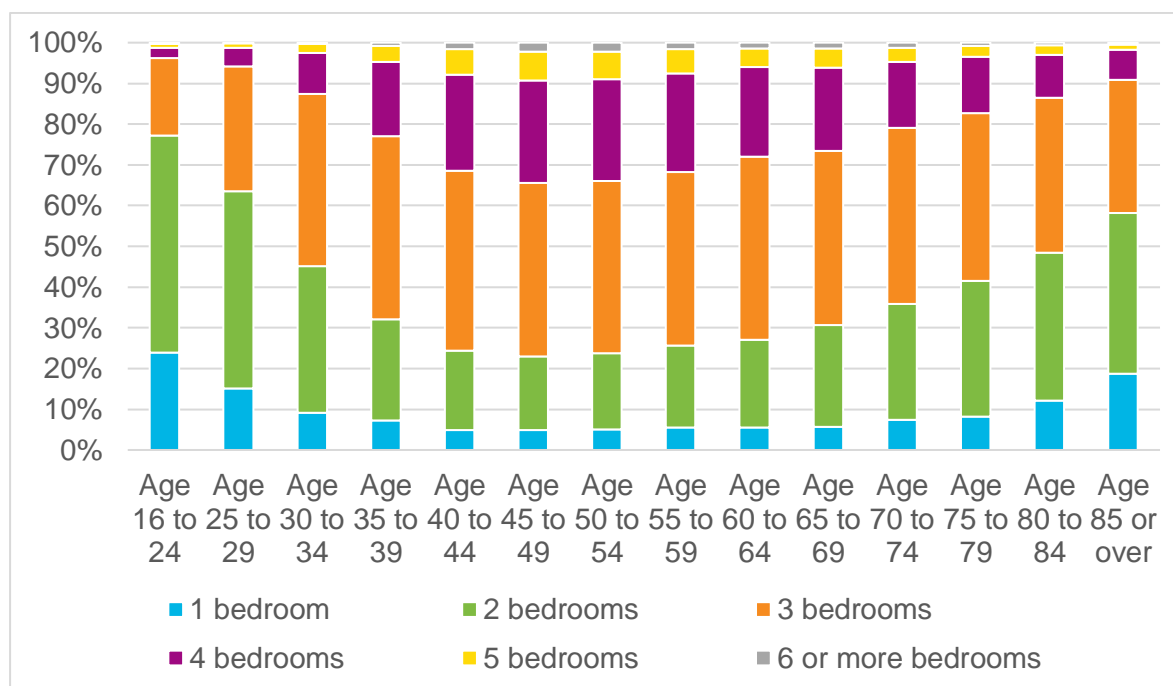
Source: ONS 2011, AECOM Calculations

168. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Bures households in 2011 and the updated estimates of household numbers described in the bullets above. Table 4-6 makes clear that population growth can be expected to be driven by the oldest households, with 62% growth in the older (65+) households between 2011-2035. The table suggests that the other population cohorts will either decline, or show limited growth, over the same time period.

169. These findings will have differing impacts on the housing market. Of particular concern is how equipped the Bures housing profile is to deal with significant growth in the older population. In turn, the population cohorts that are displaying a decline are typically younger family age.

Table 5-6: Projected distribution of households by age of HRP, Bures

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	1,586	7,567	24,734	11,361	15,795
2035	1,276	7,112	23,562	12,096	25,655
% change 2011 - 2035	-20%	-6%	-5%	6%	62%

Source: AECOM Calculations

170. The final result of this exercise is presented in Table 4-7 with the projected demographic changes in the parish combined with the existing dwelling mix to provide an indicative housing mix from future development. The model suggests that a more diversified housing offer is needed to meet housing need. Table 4-7 below suggests that Bures would benefit from prioritising the provision

of smaller and modest sized homes with 1-3 bedroom dwellings. It should be noted that these are crude figures based on demographic trends, and people often desire to live in larger homes. How far to balance the diversity the existing housing offer and provide for choice in the mix of new housing is a policy decision for the parish council to consider.

Table 5-7: Indicative dwelling size mix to 2035, Bure

Number of bedrooms	Current mix (2011)	Indicative mix 2035	Balance of new housing to reach indicative mix
1 bedroom	3.0%	7.9%	26.2%
2 bedrooms	26.4%	27.1%	25.6%
3 bedrooms	39.7%	41.5%	42.6%
4 bedrooms	20.5%	18.0%	5.7%
5 or more bedrooms	10.2%	5.5%	0.0%

Source: AECOM Calculations

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

172. For example, the young starter families and downsizing older households mentioned above may both need 'mid-sized' homes, but are likely to have extremely different requirements and degrees of purchasing power. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing, but additional guidance and prioritisation could be informed by further primary research.

173. The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.

174. To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.

175. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish.

Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a strong justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power. This is too speculative to quantify in a percentage size mix, but is among the good reasons not to inhibit any size of dwelling entirely.

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

Conclusions- Type and Size

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

Current housing stock and demographic change

178. Currently, there are an estimated 812 dwellings in Bures (based on the number of dwellings completed since the 2011 Census). The parish has a quite diverse housing mix, which is made up of a considerable proportion of Detached (44%), Semi-Detached (33%) and Terraced (21%) dwellings. There are however very few flats available, in contract to what can be found in the district and nationally.

179. In terms of size, Bures has a high proportion of mid/larger sized homes of 3+ bedrooms, which represent 72% of the housing stock. This is higher than the average in Babergh (68%) and Braintree (64%), and nationally (58%). Bures appears to have a considerable proportion of large 5+ bedroom homes (10%), which is significant when compared to Babergh (6%) and Braintree (6%), and more than double the national average (5%). Generally, the data does suggest a housing profile that is biased towards larger family sized accommodation.

180. Bures has an age profile which is slightly older than both Babergh and Braintree. Moreover, there are a small proportion of the population aged 16-24 (8%) and aged 85+ (3%). However, ONS population estimates suggest this profile is ageing, with notable growth in those aged between 45-84.

181. In turn, population projects suggest this change will intensify over time, with Bures expected to see an increase of 62% in the proportion of people aged 65+

over the NP period. This is in contrast to a potential decline in younger age groups.

The future housing mix

182. This study provides an insight into the likely need for different sizes of homes based on projected demographic change and gaps within the existing housing stock. To accommodate the future population of Bures and to diversify its housing mix, AECOM's modelling suggests prioritising the provision of smaller to midsized 1-3 bed dwellings over the NP period.

183. It does not reflect the preferences of individuals or their potential desire to live in larger dwellings than they 'need'. For this reason, it may not be advisable to restrict future housing delivery too strictly to smaller dwelling sizes as the model suggests. An additional factor is the existing historic character and density of the built environment, which may not be well-suited to flats – which is the form that 1-2 bedroom dwellings typically tend to take. In summary, there are good reasons to depart from the results of the HNA model to allow for more balance – retaining the emphasis on smaller homes but to a lower degree – if this aligns with the objectives of the community.

184. It is also important to remember that other factors should be considered in determining the overall dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the parish or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

6. RQ3: Specialist housing for older people

RQ3: What provision should be made for specialist housing for older people over the Neighbourhood Plan period?

Introduction

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

    • Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);

    • Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and

    • Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.

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

187. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.

188. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,[13] which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

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

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[13] Available at https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/

as opposed to the projected new households which form the baseline for estimating housing need overall.[14]

190. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).[15] Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.

Current supply of specialist housing for older people

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

192. There are no specialist accommodation facilities in Bures at present. However, there are two facilities in nearby Nayland. One is a 54 bedroom care home, and the other is retirement housing managed by a social landlord which has 22 one and two bedroom bungalows.

193. ONS 2020 population estimates suggest that there are currently around 227 individuals aged 75 or over in Bures.

Tenure-led projections

194. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Babergh and Braintree, the figures for both these LA's have been accumulated to generate an average for the basis of the calculations below.

195. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2035. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.

196. According to Table 6-1, the vast majority of older households in Babergh and Braintree own their own homes, representing 80% of the total older population in the parish, with the other 20% of older population living in rented accommodation. Of this 20%, a majority were living in socially rented housing

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[14] See Paragraph: 017 Reference ID: 2a-017-20190220, at https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments)
[15] For a full description of Planning Use Classes, please refer to
https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

(12%), with the remainder (12%) living in private rented (6%) housing and a small proportion living rent free (1.1%). This pattern is similar across the country, with relatively few older people living in the private rented sector – both because older households are more likely to own their own homes and because the social rented sector often provides more suitable accommodation for those needing to access supported housing in later life.

Table 6-1: Tenure of households aged 55-75 in Babergh and Braintree, 2011

All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
80.4%	57.0%	23.4%	**19.6%**	12.4%	6.1%	1.1%

Source: Census 2011

197. The next step is to project how the overall number of older people in Bures is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Babergh and Braintree at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results set out in Table 6-2 suggest that 20% of the population in Bures will be over 75 by the end of the plan period, a proportion that is approximately 5 percentage points larger than the combination of the benchmark LAs. This represents an absolute growth of 160 persons over this period.

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

| Age group | 2011 | | 2035 | |
	Bures (Census 2011)	Babergh/Braintree (Census 2011)	Bures (AECOM Calculation)	Babergh/Braintree (AECOM Calculation)
All ages	1,581	234,824	1,732	257,268
75+	181	20,126	341	37,927
%	11.4%	8.6%	19.7%	14.7%

Source: ONS SNPP 2020, AECOM Calculations

198. A key assumption for the next stages of the calculation is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture).

199. The people whose needs are the focus of the subsequent analysis are therefore the additional 160 individuals expected to join the 75+ age group by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in Babergh and Braintree in 2011 (the smallest and most recent dataset to

capture households). In 2011 there were 20,126 individuals aged 75+ and 14,171 households headed by a person in that age group across the combined area. The average household size is therefore 1.4, and the projected growth of 160 people in Bures can be estimated to be formed into around 114 households.

200. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above). This is set out in Table 6-3. This provides a breakdown of which tenures those households are likely to need.

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

Owned	Owned outright	Owned (mortgage) or shared ownership	All rented	Social rented	Private rented	Living rent free
92	65	27	**22**	14	7	1

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

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

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

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	**70**	**17.9%**	**99**	**25.4%**	**221**	**56.7%**
Owned Total	**44**	*14.0%*	**78**	*24.8%*	**192**	*61.1%*
Owned outright	**42**	14.9%	**68**	24.2%	**171**	60.9%
Owned (mortgage) or shared ownership	**2**	6.1%	**10**	30.3%	**21**	63.6%
Rented Total	**26**	*34.2%*	**21**	*27.6%*	**29**	*38.2%*
Social rented	**16**	31.4%	**15**	29.4%	**20**	39.2%
Private rented or living rent free	**10**	40.0%	**6**	24.0%	**9**	36.0%

Source: DC3408EW Health status

202. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 49.

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

Table 6-5: AECOM estimate of specialist housing need in Bures by the end of the Plan period

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	20
	7	13	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	29
	6	23	
Total	**13**	**36**	**49**

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

204. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the most simple and widely

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

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

Table 6-6: Recommended provision of specialist housing for older people from the SHOP toolkit

FORM OF PROVISION	ESTIMATE OF DEMAND PER THOUSAND OF THE RELEVANT 75+ POPULATION
Conventional sheltered housing to rent	60
Leasehold sheltered housing	120
Enhanced sheltered housing (divided 50:50 between that for rent and that for sale)[36]	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: Housing LIN SHOP Toolkit

206. As Table 6-6 shows, Bures is forecast to see an increase of 160 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = 60 x 0.160 = 10
- Leasehold sheltered housing = 120 x 0.160 = 19
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = 20 x 0.160 = 3
- Extra care housing for rent = 15 x 0.160 = 2
- Extra care housing for sale = 30 x 0.160 = 5
- Housing based provision for dementia = 6 x 0.160 = 1

207. This produces an overall total of 40 specialist dwellings which might be required by the end of the plan period.

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

Table 6-7: HLIN estimate of specialist housing need in Bures by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	11
	5	6	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	29
	10	19	
Total	**15**	**25**	**40**

Source: Housing LIN, AECOM calculations

Conclusions- Specialist Housing for Older People

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

210. ONS estimates suggest that there are currently around 227 individuals aged 75 or over living in Bures. This has grown from 181 persons in 2011 and is projected to increase to 341 by the end of the plan period in 2035, meaning that by 2035 people aged 75+ could account for 20% of the total Bures population.

211. Bures does not currently have any form of specialist care housing facilities on offer in the parish. There are a number of facilities on offer within a 10km of the parish.

212. This HNA uses two different methods of estimating the future need for specialist housing in Bures. These two methods of estimating the future need in Bures produce a range of 40 to 49 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

213. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district/borough level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged

that Neighbourhood Plans may have limited influence over changes to the existing stock).

214. Local Plan policy LPP 5 (Braintree – Babergh do not currently have a similar Local Plan policy) provides explicit encouragement for development to accommodate specific groups such as older people. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). Government is considering mandating M4(2) on newly erected dwellings[16], although changes to Building Regulations have not yet been made. The evidence gathered here would appear to justify the Steering Group/Working Group approaching the LPA to discuss setting requirements on accessibility and adaptability at a district/borough level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

215. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants in the district/borough falling into this category.

216. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:

- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
- so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
- so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.

217. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

218. It is considered that Bures position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Bures entirely within the

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

Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Bures, because of its size neighbouring Colchester is considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself would not overlap.

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

7. Next Steps

Recommendations for next steps

220. This Neighbourhood Plan housing needs assessment aims to provide Bures with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with both Babergh and Braintree 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 both Babergh and Braintree;

    • 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 both Babergh and Braintree.

221. 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.

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

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

Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

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

225. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of Bures, due to the relationship between the two LA's which govern the NA two MSOA's are used for each it is considered that MSOA's E02006232 and E0200447 are the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map of [insert name of MSOA] appears in Figure A-1.

Figure A-1: MSOA (E02006232 and E0200447) used as a best-fit geographical proxy for the Neighbourhood Area
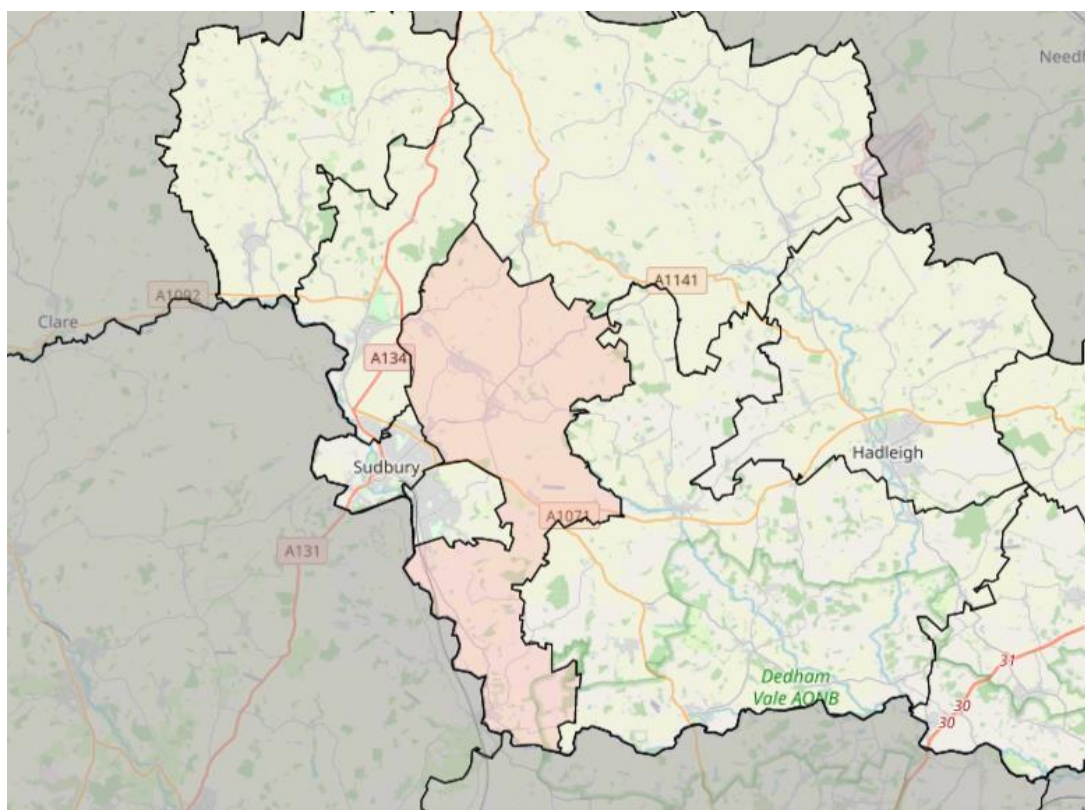
Source: ONS E02006232
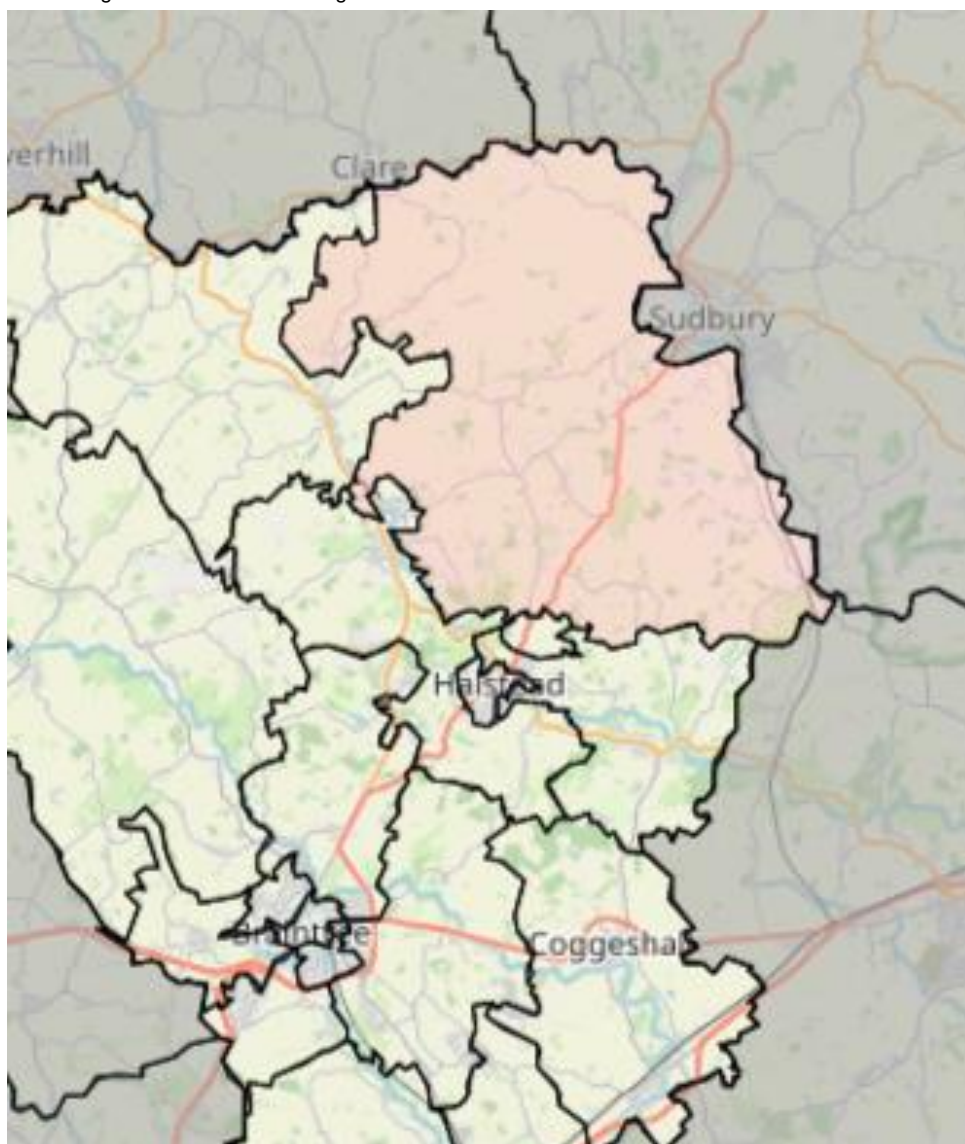
Source: ONS E0200447

A.2 Market housing

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

227. 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

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

229. 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 Bures, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.

230. The calculation for the purchase threshold for market housing is as follows:

   • Value of a median NA house price (2021) = £350,000;

   • Purchase deposit at 10% of value = £35,000;

   • Value of dwelling for mortgage purposes = £315,000;

   • Divided by loan to income ratio of 3.5 = purchase threshold of £90,000.

231. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2021 was £287,500, and the purchase threshold is therefore £73,929.

232. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 5 sales of new build properties in the NA in 2021. There were too few sales in the NA specifically to determine an accurate average for the cost of new build housing in Bures. AECOM has calculated an estimate for the cost of new build entry-level housing in the NA in 2021. This is important as it is the expected lower end of the market for new housing in the near future, and it is also the benchmark used for the likely cost of affordable home ownership products (calculated later in the Appendix). The estimated NA new build entry-level house price is calculated by determining the uplift between all house prices in 2021 across Babergh and Braintree and new build house prices in 2021 in the same area. This percentage uplift is then applied to the 2021 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £351,366 and purchase threshold of £316,229.

233. In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Babergh and Braintree in 2021. The median cost of new build dwellings in across Babergh and Braintree was £384,975, with a purchase threshold of £98,994. As such, an entry-level house price is cheaper in the NA than it would typically cost across the two LA's.

ii) Private Rented Sector (PRS)

234. 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.

235. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.

236. The property website Home.co.uk shows rental values for property in the Neighbourhood Area. At the time of searching (November 2022) there were no rental properties available. The best available data is derived from searching for properties within a 4-mile radius of the parish, which can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

237. According to home.co.uk, there were 8 properties for rent at the time of search in (November, 2022), with an average monthly rent of £1,668. There were two 2-bed properties listed, with an average price of £1,200 per calendar month.

238. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:

- Annual rent = £1,200 x 12 = £14,400;

- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £48,000.

239. The calculation is repeated for the overall average to give an income threshold of £66,720.

A.3 Affordable Housing

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

i) Social rent

241. 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.

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

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

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£81.80	£94.30	£102.90	£116.10	£96.10
Annual average	**£4,254**	**£4,904**	**£5,351**	**£6,037**	**£4,997**
Income needed	**£14,164**	**£16,329**	**£17,818**	**£20,104**	**£16,641**

Source: Homes England, AECOM Calculations

ii) Affordable rent

244. 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).

245. 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%.

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

247. Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in [the NA are actually closer to 36% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£100.60	£123.30	£144.20	£174.70	£124.70
Annual average	**£5,231**	**£6,412**	**£7,498**	**£9,084**	**£6,484**
Income needed	**£17,420**	**£21,351**	**£24,970**	**£30,251**	**£21,593**

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

248. 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.

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

First Homes

250. 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.

251. The starting point for these calculations is therefore the estimated cost of new build entry-level housing in the NA noted above of £351,366.

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

   • Value of a new home (estimated NA new build entry-level) = £351,366;

   • Discounted by 30% = £245,956;

   • Purchase deposit at 10% of value = £24,596;

   • Value of dwelling for mortgage purposes = £221,361;

   • Divided by loan to income ratio of 3.5 = purchase threshold of £63,246.

253. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £54,211 and £45,176 respectively.

254. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

255. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m[17]) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Bures.

Shared ownership

256. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

257. 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.

258. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income 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).

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

- A 25% equity share of £351,366 is £87,842;

- A 10% deposit of £87,842 is deducted, leaving a mortgage value of £79,057;

- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £22,588;

- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £263,525;

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

- The estimated annual rent at 2.5% of the unsold value is £6,588;

- This requires an income of £21,960 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).

- The total income required is £44,548 (£22,588 plus £21,960).

260. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £35,388 and £59,816 respectively.

261. Shared Ownerships at each of the discounts tested here would meet the £80,000 income threshold.

Rent to Buy

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

Help to Buy (Equity Loan)

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

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

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods[18].

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard[19]

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.

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[18] The Tenant Services Authority has issued an explanatory note on these methods at
http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf
[19] See https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order[20]

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)[21]

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 older parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

Equity Loans/Shared Equity

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

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[20] See https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary
[21] See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years[22], i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

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

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing[23]

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

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

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

Specialist housing for Older People, sometimes known as specialist accommodation for older people, 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.[24]

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