Collingham

Housing Needs Assessment (HNA)

August, 2023

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Quality information

Prepared by	Checked by	Approved by
Matthew Kearney	Paul Avery	Paul Avery

Revision History

Revision	Revision date	Details	Authorized	Name	Position
1	September 2022	First Draft	MK	Matthew Kearney	Senior Consultant
2	October 2022	Internal Review	PA	Paul Avery	Principal Consultant
3	July, 2023	Group Review	IO	Iain Orme	Collingham Parish Council
4	August, 2023	Locality Review	MG	Madeleine Gohin	Neighbourhood Planning Officer
5	August, 2023	Final Report	MK	Matthew Kearney	Senior Consultant

Prepared for: Collingham Parish Council

Prepared by:

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

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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
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1. Collingham is a Neighbourhood Area located in the local authority area of Newark and Sherwood. The Neighbourhood Area boundary covers the areas administered by the parish council.
2. The Office for National Statistics mid-2020 population estimate for Collingham is 2,980 individuals, showing an increase of 242 individuals since the 2011 Census.
3. There has been significant development in Collingham since 2011, with Newark and Sherwood providing completions data from 2011 to 2022 which showed the development of 213 dwellings. Of these, 11 were delivered as Affordable Housing. The total quantity of dwellings in the NA is therefore estimated to be 1,500. The parish has currently exceeded its target to deliver 176 dwellings before 2033.
4. Our Executive Summary which follows details the conclusions of each chapter of the report, addressing the two research questions formulated at the outset of the research.

Tenure and Affordability

Current Tenure Profile

5. The 2011 Census tenure profile for Collingham shows that a clear majority (79.1%) of households own their own homes, which is a higher proportion than across Newark and Sherwood and the nation as a whole. Correspondingly, there is less private and social renting (both 10% of the overall housing stock) in the parish than across Newark and Sherwood and England.

Affordability

6. Currently, the median house price in Collingham is £274,500, having grown by 66.4% since 2012. Lower quartile prices grew at a faster rate than the median price, at 72.4% over the same time period.
7. Average household incomes in Collingham are estimated to be around £49,200, though many households earn substantially lower. The lower quartile individual income (that of the lowest earning 25% of people) is £18,200 in Collingham, so a household with two lower earners could be expected to earn around £36,400.
8. Those with an average household income would struggle to buy any type of home in Collingham. The median home in Collingham would require an income threshold of £70,586, which is 43.5% above the average income. Moreover, the entry level home is still 11% above the average income in the NA. Affordability is improved in the rental market and should be accessible to households on average incomes and households with two lower earners.
9. Because of the large gap between the affordability of renting and ownership, affordable home ownership products offer good potential to extend home ownership in the parish. First Homes being offered at a minimum discount 30% discount and Shared Ownership at a 50% equity share in the dwelling would be comfortably affordable for households on

average incomes. Moreover, with some extra savings or income these options may be affordable to some households with two lower earners. If not, First Homes at discount of 40% and Shared Ownership at a lower equity share would be affordable.

10. 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

11. A district wide HNA was completed for Newark and Sherwood in 2020 which considered the housing needs of the district, as part of the study an analysis was completed for the Collingham sub-area which can be used to estimate the scale of affordable housing required in Collingham. After prorating the figures for the sub-area to the parish this HNA recommends an additional 15 additional affordable homes per annum in Collingham. When the recommended tenure split of 60% affordable rental and 40% for affordable home ownership is applied this equates to 9 units for affordable rental and 6 units for affordable home ownership (or 135 and 90 over the neighbourhood plan period).

12. AECOM's own modelling suggests a potential demand for approximately 60 additional units being made available for affordable home ownership over the plan period. This estimate reflects the substantial potential demand from households in the private rented sector who would prefer to buy. In practice, many of these households have other options in the market and may not take up affordable home ownership if it were available in Collingham. This estimate is likely to represent the upper end of potential demand for these products. Given that Collingham is unlikely to see a significant amount of housing development until provided with an updated housing requirement figure, the neighbourhood plan may wish to focus on delivering affordable rental units which respond to the most acute need in the parish.

Delivery expectations and recommended tenure split

13. On the basis of Collingham having exceeded its housing requirement figure, it is difficult to establish the number of affordable homes that might be delivered over the Neighbourhood Plan period. For any new Affordable Housing that does come forward in the parish, this study suggests that maintaining the 60/40 tenure split would be appropriate. Moreover, without the new allocation of sites it is likely that any new housing that comes forward in the parish does so in small and infill sites which may not trigger the threshold for affordable housing.

14. 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.

Type and Size

Current housing stock and demographic change

15. With regards to the type and size of dwellings on offer in Collingham, the parish has a large proportion of detached dwellings (67.4%) which is higher than in Newark and Sherwood and England. In turn, there is a limited offering of other housing types with a particular scarcity of (typically more affordable) flats and terraced dwellings.

16. Collingham has a population that is dominated by older people and families, with 2020 (ONS) estimates suggesting that those aged 45+ account for approximately 59% of the overall population in the parish. When compared to Newark and Sherwood and England, Collingham has a population profile with an older bias. As such, the population in Collingham can be said to be aging, though a robust population of families remain.

17. This ageing trend is likely to continue. Household projections suggest that Collingham will see a significant rise of 63% in its older population over the Neighbourhood Plan period, while younger age groups grow much more slowly or decline. However, given the increase in smaller dwellings (2-bed) it might be suggested that the parish might see a growth in its younger population that is not yet borne out in the figures. Following the observations from the group, this growth of younger cohorts would be a result of the trend of older population downsizing to specialist facilities, freeing up larger family sized homes. The growth of 2-bed homes may also attract a younger population of first-time buyers and also could encourage downsizing for the older population.

The future housing mix

18. 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 Collingham, it is recommended that the parish diversify its housing mix by increasing the number of 3-bedroom dwellings on offer, and also slightly increase the number of 1/2-bed dwellings on offer.

19. It should be noted that this model is a fairly blunt indication of future needs, which 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.

20. 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.

2. Context

Local context

1. Collingham is a Neighbourhood Area located in Newark and Sherwood, Nottinghamshire. The Neighbourhood Area (NA) boundary was designated in October 2020. A Neighbourhood Plan for Collingham is currently in production, and once adopted will cover the period up to 2036. Newark and Sherwood (the governing local authority) adopted an amended Local Plan in 2019, covering the period up to 2033.

2. The group wish to conduct a Housing Needs Assessment (HNA) to act as an evidence base in the Neighbourhood Plan making process. The proposed Neighbourhood Plan period starts in 2022 and extends to 2036, therefore comprising a planning period of 14 years. The evidence supplied in this report will look forward to the Plan end date of 2036, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.

3. Collingham is a village located in Nottinghamshire. It is located on the A1133, close to the A46. The village is approximately 6 miles from Newark-on-Trent, and 15 miles from Lincoln. The river Trent sits to the west of the village. The village is classified as part of a larger sub area which contains 12 other parishes alongside Collingham and is considered a Principal Village by the Newark and Sherwood Core Strategy. In terms of services, the village benefits from a primary school, pubs, restaurants and a number of shops and local businesses, and also the Langford Lowfields wetlands.

4. The NA is consistent with the designated parish boundary and this report will draw on parish level data where possible. For Census purposes, the Neighbourhood Area is made up, like the rest of England, of statistical units called Output Areas (OAs) and its higher-order equivalents: Medium Super Output Areas (MSOAs) and Lower Super Output Areas (LSOA). The Plan area equates to one LSOA and one OA, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses:

   - E0102815 (LSOA)
   - E00144274 (OA)

5. The statistics show that in the 2011 Census the NA had a total of 2,738 residents, formed into 1,245 households and occupying 1,287 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Collingham is 2,980 – indicating population growth of around 242 individuals since 2011. It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.

6. Between 2011 and 2021 there were 213 completed dwellings (net of demolitions and losses) within the parish. This broadly aligns with the estimated population increase of 242.

However, given this suggests only 1.1 people per additional dwelling, the estimated population growth is likely an underestimate.

7. 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.

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

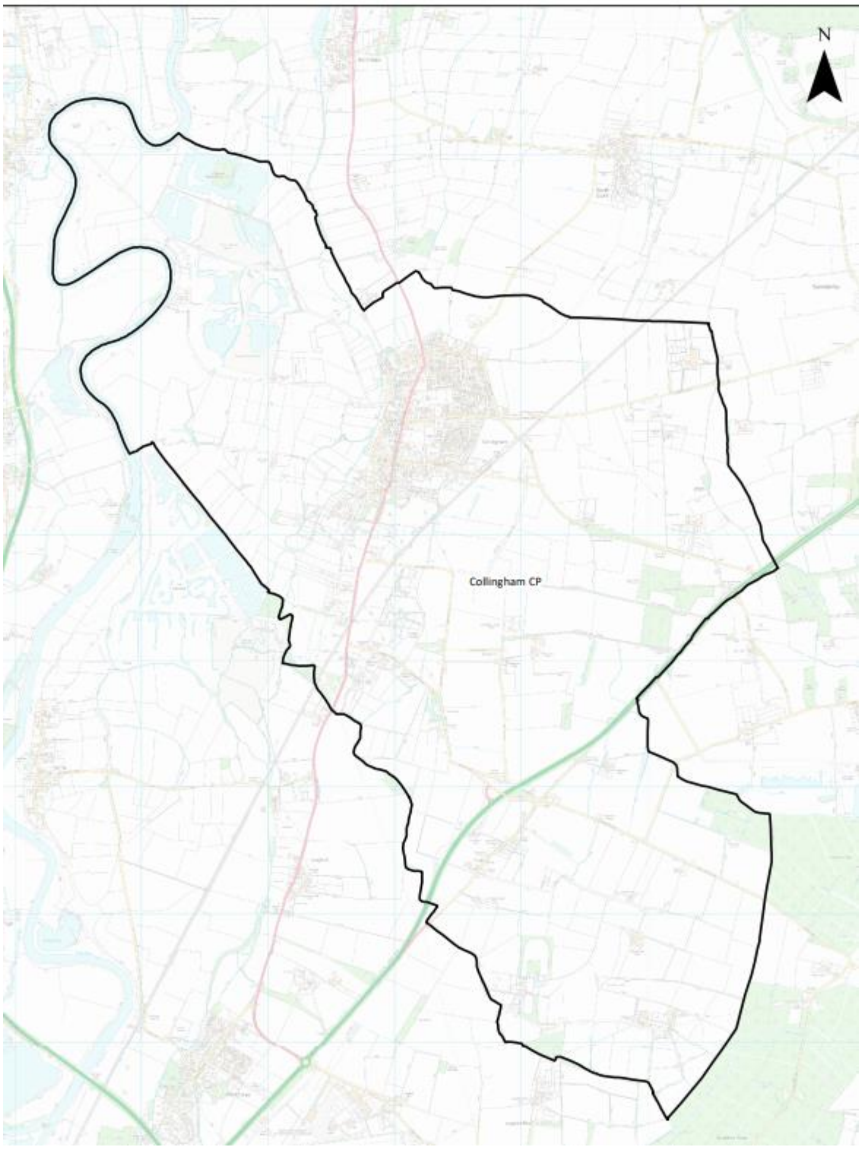


Figure 2-1: Map of the Collingham Neighbourhood Area[1]

The Housing Market Area Context

9. Whilst this HNA focuses on Collingham 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

[1] Available at https://www.collingham-pc.gov.uk/shared/attachments.asp?f=7332310d%2D81c5%2D4424%2D8802%2D60411157c6eb%2Epdf&o=Collingham%2DNeighbourhood%2DArea%2DMap%2Epdf

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 Collingham, the parish sits within the Newark and Sherwood District housing market area (which includes the following subareas: Collingham, Mansfield Fringe, Newark, Nottingham Fringe, Rural South, Sherwood, Southwell, and Sutton on Trent). This means than when households who live in these authorities move home, the vast majority move within this geography. However, it is likely that other areas outside of the district are having an impact on the local housing market, given the proximity to other large urban centres like Nottingham and Lincoln.

At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Collingham, are closely linked to other areas. In the case of Collingham, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. However, in addition to the district wide HNA, an analysis of the housing sub-areas within the parish was also completed. As part of this study an analysis of the housing needs in the Collingham Sub Area was completed, which comprises of a larger spatial area than just the parish (Collingham parish represents 48.5% of the Collingham Sub Area).

10. In summary, Collingham functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Newark and Sherwood), 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

11. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies[2]. In the case of Collingham, the relevant adopted Local Plan for Newark and Sherwood consists of:

   - Plan Review – Amended Core Strategy Development Plan Document (Adopted March, 2019);
   - Newark and Sherwood Plan Review – Options Report (July, 2021).

Policies in the adopted local plan

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

[2] 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 Newark and Sherwood Local Development Framework Amended Core Strategy (Adopted March 2019)

Policy	Provisions
Spatial Policy 2	Newark & Sherwood District has committed to delivering 9,080 dwellings between 2013 and 2033. Discounting dwelling completions and current commitments (as of April 2016), the overall housing target for the district equates to 8,806 dwellings. The strategy splits this target according to settlement type. The Sub-Regional Centre and Newark Urban Area will accommodate 60% of total growth, Service centres 30% and Principal Villages 10%. Collingham will account for 20% of the 10% overall growth target for Principal Villages.
Core Policy 1 – Affordable Housing Provision	The District Council will seek to secure 30% of new housing is delivered as affordable. Of this 30% the District Council will seek to secure a tenure mix of: - 60% social rented/affordable rented; - 40% affordable home ownership.

Policies in the emerging local plan

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

Table 2-2: Summary of relevant emerging policies in the Newark and Sherwood Plan Review Options Report (July, 2021)

Policy	Provisions
Core Policy 1 – Affordable Housing Provision	This policy broadly retains the provisions set out in Core Policy 1 – Affordable Housing Provision set out in the adopted Core Strategy. It does however add the requirement to provide 10% of new dwellings to be offered as affordable home ownership products. This would be secured through the overall target for 30% of all housing to be provided as affordable.
Housing and Employment Allocations	No new sites in Collingham have been brought forward for housing or employment land as part of the review of Allocations & Development Management DPD.

Quantity of housing to provide

14. 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.

15. Newark & Sherwood has fulfilled that requirement by providing Collingham (within its amended Core Strategy) with an indicative figure of 176 dwellings to be accommodated within the Neighbourhood Area by the end of the LA Plan period (2033).[3]

16. This figure is derived from the targets set out in the planning policy context section above. The Core Strategy indicates that 10% of the overall requirement (8,806) will be accommodated in Principal Villages, in turn 20% of this target will be accommodated in Collingham. The Neighbourhood Group have indicated that the village has fulfilled its housing target since these targets were set in 2016, and this is backed up by completions data. The LA have not provided the NA with a revised housing requirement figure. As such, for the purpose of this study Collingham's residual target will be taken as 0. However, these targets are the minimum housing requirements for the area and development may still come forward within the village in accordance with Policy DM1 - Development within Settlements Central to Delivering the Spatial Strategy of the Adopted Allocations and Development Management DPD.

[3] As outlined with group during inception call, and confirmed through conversation with planner at Newark and Sherwood District Council (September, 2020).

3. Approach

Research Questions

17. The following research questions were formulated at the outset of the research through discussion with the Collingham Parish Council Neighbourhood Planning Group. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

18. 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.

19. This evidence will allow Collingham 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

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

21. 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.

22. 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.

23. 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

24. 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 the 2011 Census and a range of other data sources, including:
    - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
    - ONS population and household projections for future years;
    - Valuation Office Agency (VOA) data on the current stock of housing;
    - Land Registry data on prices paid for housing within the local market;
    - Rental prices from Home.co.uk;
    - Local Authority housing waiting list data; and
    - District Wide Housing Needs Assessment (2020)
25. More recent data sources for the population and existing housing stock will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the tenure of dwellings, cannot be accurately brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

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

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?

Introduction

26. 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.

27. 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.

28. 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'*[4]*.* 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.

[4] 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.

29. As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021.[5] 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:

[5] 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

30. 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.

31. Table 4-2 presents data on tenure in Collingham compared with Newark and Sherwood and England from the 2011 Census, which is the most recent available source of this information. The 2021 Census will provide a more robust and reflective picture of the current tenure mix in Collingham when results are released. Nonetheless, drawing on figures from the 2011 Census it would appear a majority of people (79.1%) in Collingham live in owner occupied homes. This is almost 9 percentage points above Newark and Sherwood and 16 percentage points above the national average. The social rental sector comprises 10% of Collingham's overall housing stock and is 4.5 percentage points smaller than the LA and nearly 8 percentage points below the national average. The private rented sector is also slightly smaller in Collingham than the comparator areas. With the housing profile in Collingham being defined by a high proportion of people living in owner occupied homes, there are correspondingly fewer people in socially and private rented homes than

the wider averages.

32. Between 2011/2012 and 2020/2021, according to completions data provided by Newark and Sherwood District Council, there were 213 new dwellings (net) built in Collingham. This ~~figures~~ also suggests 4 dwellings that were lost over this time. A total of 41 of the new dwellings were delivered as affordable, which represents 19% of the 213 completed dwellings. From information provided by Newark and Sherwood, the current register has 331 applications for affordable housing.

33. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Collingham the private rented sector expanded by 75% in that period.

34. Whilst this figure looks high it is only 7.5 percentage points smaller than the national average. Moreover, the figure appears relatively low in comparison to the 128% growth in private rental in the LA over the same time period. This trend is reflected further in the relatively high proportion of people in the parish owning their own homes.

Table 4-2: Tenure (households), various geographies,, 2011

Tenure	Collingham	Newark and Sherwood	England
Owned	79.1%	70.6%	63.3%
Shared ownership	0.3%	0.5%	0.8%
Social rented	10.0%	14.5%	17.7%
Private rented	9.9%	12.9%	16.8%

Sources: Census 2011, AECOM Calculations

Affordability

House prices

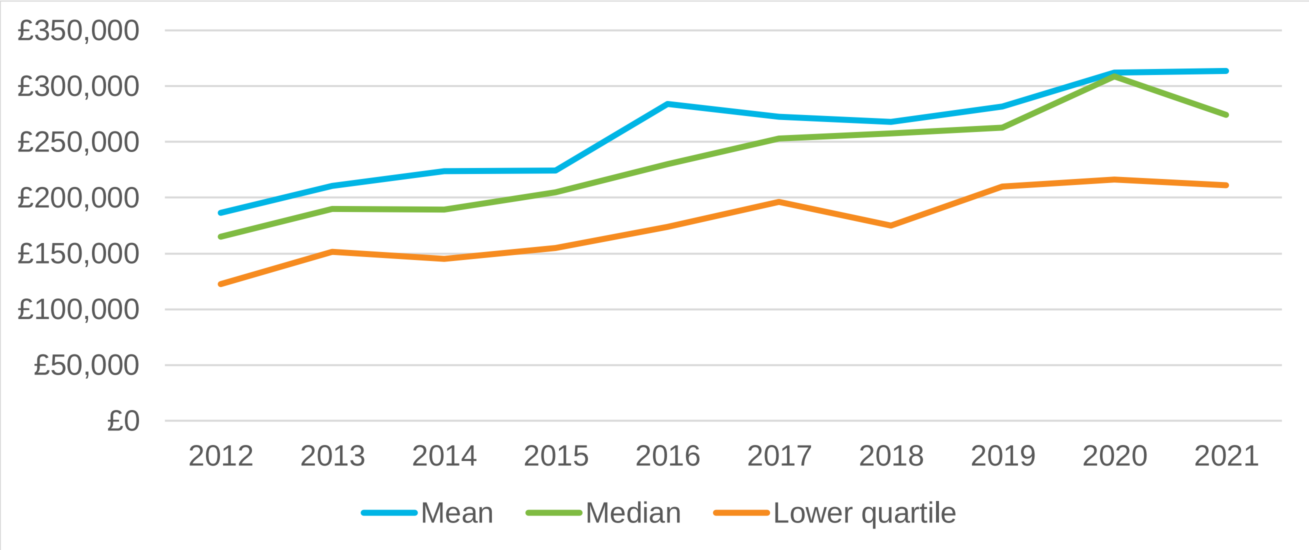
35. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over 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.

36. Figure 4-1 looks at the average and lower quartile house prices in Collingham based on sales price data published by the Land Registry. It shows a median house price of £274,500 in 2021, which represents a percentage increase of 66.4% since 2012. One point of note is that the median price grew by £46,250 between 2019 and 2020, before then decreasing to the 2021 figure. In 2020, house prices had grown by 87% since 2012.

37. Otherwise, house growth was relatively stable increasing gradually year on year, other than in two periods (2012/2012 & 2015/2016/2017) where they increased by approximately £25,000 year on year.

38. It's worth noting when considering these price trends that LQ house prices grew by 72.4% between 2012 and 2021. This represents the fastest growth when compared to the mean and median figures, and suggests that the more affordable homes on offer in Collingham are increasing in price at a faster rate than the averages.

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



Source: Land Registry PPD

39. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that over the ten-year period there was a general increase of 66.4% across all housing types, with a price differential of £109,500

40. Detached and Semi-Detached dwellings showed the most significant price growth of 94.2% and 91.7% respectively. Terraced dwellings more gradually increased in price, with 33.3% growth over the ten-year period. The figures for Flats exhibit a 44.4% decrease in price over the ten-year period. However, the table shows that there were no sales of flats in 5 of the ten years. This would suggest there is a relatively low stock of flats on offer in Collingham, and the percentage decrease does not accurately reflect trends across the housing market.

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

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£173,750	£199,975	£248,500	£237,950	£300,000	£297,475	£280,000	£338,498	£365,000	£337,500	94.2%
Semi-detached	£120,000	£144,950	£145,000	£155,000	£178,000	£234,500	£175,000	£219,995	£220,000	£230,000	91.7%
Terraced	£105,000	£112,500	£115,000	£135,000	£152,475	£198,950	£122,000	£165,000	£137,000	£140,000	33.3%
Flats	-	-	£108,000	£124,000	£145,000	-	-	£93,000	£60,000	-	-44.4%
All Types	**£165,000**	**£190,000**	**£189,250**	**£205,000**	**£230,000**	**£253,000**	**£257,500**	**£262,500**	**£308,750**	**£274,500**	66.4%

Source: Land Registry PPD

Income

41. 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.

42. 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 £49,200 in 2018. A map of the area to which this data applies is provided in Appendix A.

43. 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. Newark and Sherwood's gross individual lower quartile annual earnings were £18,200 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £36,400.

44. 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

45. 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.

46. AECOM has determined thresholds for the income required in Collingham 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.

47. 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.

48. 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.

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

50. 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.

51. 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.

52. 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 Collingham (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £49,200	Affordable on LQ earnings (single earner)? £18,200	Affordable on LQ earnings (2 earners)? £36,400
Market Housing						
Median House Price	£247,050	-	**£70,586**	No	No	No
Estimated NA New Build Entry-Level House Price	£204,106		**£58,316**	No	No	No
LQ/Entry-level House Price	£190,125	-	**£54,321**	No	No	No
LA New Build Median House Price	£203,623	-	**£58,178**	No	No	No
Average Market Rent	-	£10,584	**£35,280**	Yes	No	Yes
Entry-level Market Rent	-	£8,700	**£29,000**	Yes	No	Yes
Affordable Home Ownership						
First Homes (-30%)	£142,874	-	**£40,821**	Yes	No	No
First Homes (-40%)	£122,464	-	**£34,990**	Yes	No	Yes
First Homes (-50%)	£102,053	-	**£29,158**	Yes	No	Yes
Shared Ownership (50%)	£102,053	£2,835	**£38,607**	Yes	No	No
Shared Ownership (25%)	£51,026	£4,252	**£28,753**	Yes	No	Yes
Shared Ownership (10%)	£20,411	£5,103	**£22,840**	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£4,869	**£16,213**	Yes	Yes	Yes
Social Rent	-	£4,616	**£15,370**	Yes	Yes	Yes

Source: AECOM Calculations

53. 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.

54. The most notable figure from table 4-4 is that all Home Ownership options on the open market are unaffordable to households earning mean incomes. This unaffordability for average earners is compounded when those lower earning households are considered. This dynamic will be explored in more detail below.

Market housing for purchase and rent

55. 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. The median house price would require an annual income of £70,586, which is 43.5% higher than the current average income (£49,200) and represents quite a significant barrier to ownership.

56. Private renting is generally more affordable, with average market rents requiring an income of £35,280. Households made up of two lower earners would be able to afford this tenure. Affordability is improved further if households are able or willing to dedicate a larger proportion of their incomes to rental costs, however this would still be out of reach for households with only one lower earner. Furthermore, dedicating a larger proportion of household income to rental costs will have repercussions for other quality of life aspects and cannot be assumed to suit all individuals’ circumstances.

Affordable home ownership

57. There is a relatively large group of households in Collingham who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £29,000 per year (at which point entry-level rents become affordable) and £70,586 (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.

58. 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.

59. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. In Table 4-4 above, First Homes discounts are calculated in relation to median house prices which are used as a proxy for new build properties. Discounts of 30% would be sufficient to allow access to home ownership for those on average incomes, and with some extra savings would be accessible to households with 2x LQ earners. A new build entry level home would be affordable to that group at a discount of 16%. Discounts at the 30% needed for average earners would result in a sale value of approximately £160,000.

60. Table 4-5 shows the discount required for First Homes to be affordable to average earners and households with two lower earners. However, they would remain out of reach for those households with only a single lower earner. 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 in Collingham

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA Median House Price	30%	74%	48%
NA Estimated New Build Entry-Level House Price	16%	69%	38%
NA Entry-Level House Price	9%	66%	33%
LA Median New Build House Price	15%	69%	37%

Source: Land Registry PPD; ONS MSOA total household income

61. Shared ownership appears to be more affordable than First Homes but is broadly accessible only to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.[6] 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.

62. 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.

63. It should be noted that Newark and Sherwood have indicated that Collingham is a Designated Protected Area for the purposes of Shared Ownership. Occupiers of these dwellings will have the option to staircase to either 80% or 100% provided the Registered Provider re-purchases the property to ensure they stay affordable in perpetuity.

64. 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

[6] 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.

to save a deposit, is assumed to be the same as that required to afford market rents. On that basis, if Rent to Buy were offered in Collingham, it would offer similar levels of affordability as First Homes and shared ownerships.

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

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
- Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service 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.

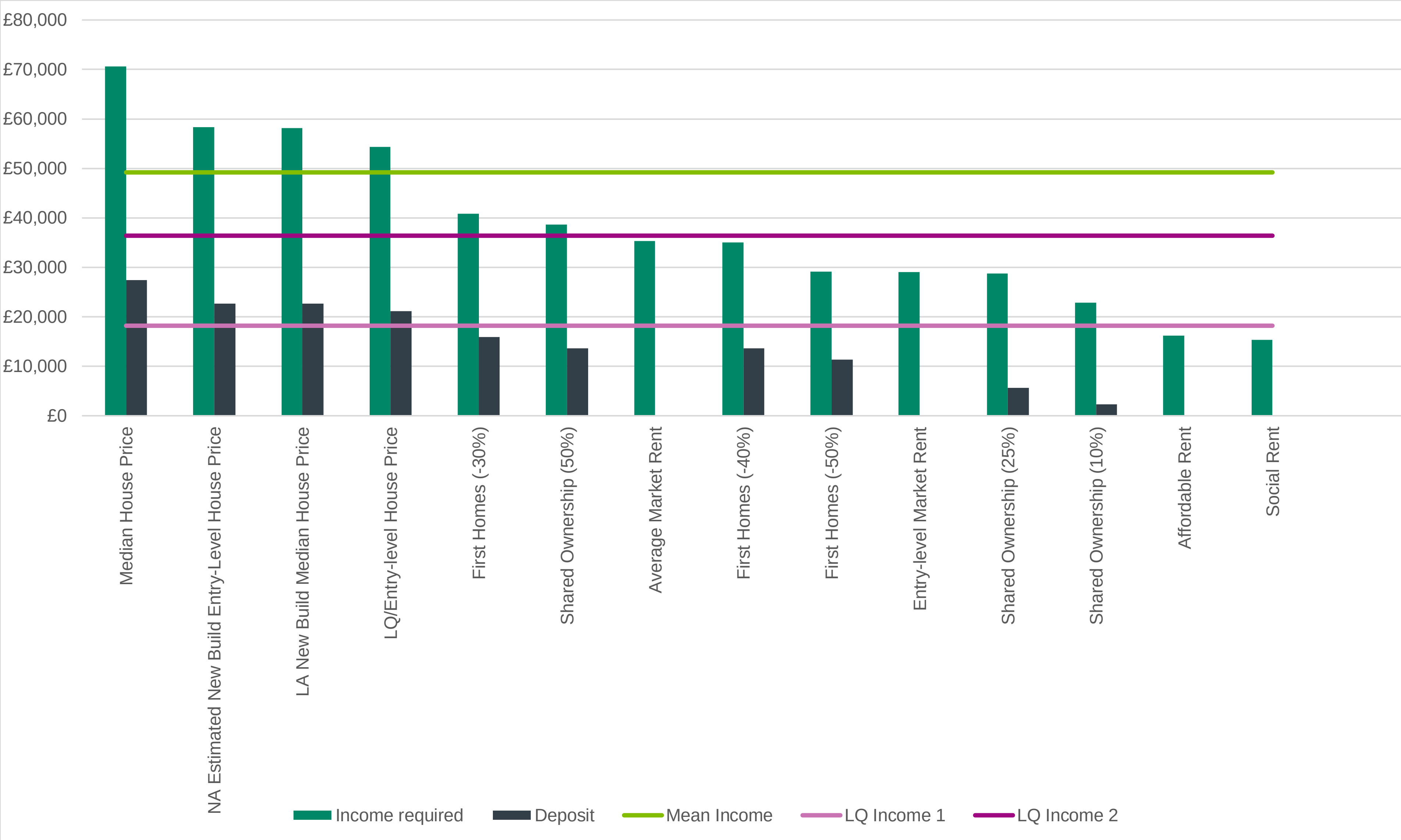
66. In conclusion, all of these products would provide value to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder, while Rent to Buy is helpful to those with little or no 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

67. Affordable rented housing improves access and affordability for all households in the parish. With an income of £16,213 required to access this type of accommodation, this option would be affordable for the lowest earners, being approximately £2,000 below the income of a single LQ earner.

68. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Collingham 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 Collingham, income required (additional cost of deposit in black)



Source: AECOM Calculations

Affordable housing- quantity needed

69. The starting point for understanding the need for affordable housing in Collingham is the relevant District Wide Housing Needs Assessment (DWHNA). A DWHNA was undertaken for Newark and Sherwood District Council in 2020. This study estimates the need for affordable housing in the 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 DWHNA identifies the need for 243 additional affordable homes each year in Newark and Sherwood as a whole. The study recommends that the target of 70% market and 30% affordable housing set out in the current Local Plan is maintained. Of this 30% affordable housing, a tenure split of 60% affordable rental and 40% affordable home ownership should be carried forward.

70. In addition to the DWHNA, a summary report for the Collingham Sub-area was also published, which provides a more localised picture of the need in the parish. It suggests there is an annual need for an additional 19 affordable rental units and 12 units for affordable home ownership. When these figures are prorated to the Collingham parish area (which represents 48.5% of the Collingham sub-area), there in an annual need for 9 units of affordable rental and 6 units of affordable home ownership, or 225 (135 affordable rental and 90 affordable homeownership) over the neighbourhood plan period.

71. Given that Collingham has exceeded its current housing target, and 41 of these units were delivered as affordable, the prorated figures from the DWHNA can provide guidance on any future housing in the parish. Moreover, these figures reflect the recommended tenure split outlined in the adopted Core Strategy.

72. 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.[7] No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

73. 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.

74. 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.

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

75. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

76. 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.

Additional DWHNA findings

77. The DWHNA suggests that the target to deliver 30% of all housing in the district as affordable remains suitably, and in recent years the delivery of affordable housing in the district has improved.

Affordable Housing policy guidance

78. Newark and Sherwood's adopted core policy on the subject of Affordable Housing Provision requires 30% of all new housing to be affordable. Given that Affordable Housing made up 20% of new housing in Collingham over the last decade according to Newark and Sherwood completions figures, it can be understood that this target is not usually met on sites in the NA.

79. 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.

80. 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 specified in the Core Strategy, and recommends a tenure split of 60% affordable rental and 40% affordable home ownership. 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 Collingham specifically.

81. 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 Collingham requires roughly 135 units of affordable rented housing and 90 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. Given that Collingham has exceeded its current Housing Requirement this recommendation reflects the maximum need in the parish.

As such, it is suggested that the current tenure split that 60% of Affordable Housing should be for rented and 40% offering a route to ownership is appropriate. Moreover, and as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.

If the quantity of new housing overall were unlimited, 60% to 40% may be an appropriate affordable tenure mix. However, meeting the identified need in full is not likely and also not strictly necessary.

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

   The NA was provided with a House Requirement Figure of 176 units to be delivered between 2013 - 2033. Completions data provided by Newark and Sherwood show that this figure has been surpassed, and that Collingham has delivered 213 units since 2012. However, of these 213 units, 41 were delivered as affordable. Given that little remains of the parish’s growth target, it is unlikely that the need identified here for affordable housing in the parish will be met in full.

C. **Government policy (e.g. NPPF) requirements**: current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. In Newark and Sherwood the adopted Core Strategy indicates that 30% should be affordable, to meet the 10% target, 33% of all Affordable Housing should be affordable home ownership.

D. **Local Plan policy**: As noted above, the adopted Core Strategy seeks a tenure split of 60% affordable rental and 40% affordable home ownership.

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

   This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing.

   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 Newark and Sherwood, 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 Collingham**: The socially rented sector in Collingham is significantly smaller than the district and the national average, by approximately 5 and 8 percentage points respectively. This suggests that some provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.

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

J. **Wider policy objectives**: the neighbourhood planning group may wish to take account of broader policy objectives for Collingham 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.

82. On the basis of the considerations above, Table 4-6 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

83. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here, which is exemplified by the NA having surpassed their current housing requirement. In this context, affordable rented tenures should be prioritised. The Local Plan guideline mix of 60% rented to 40% ownership appears to offer a suitable benchmark. Adopting this tenure split would meet the new government requirements for 25% of affordable housing to be provided as First Homes, whilst also providing scope to develop other forms of affordable home ownership. In the interests of diversity and maximizing choice, a further 10% is allocated to shared ownership rather than more First Homes, and 5% for Rent to Buy.

84. 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.

85. 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 Newark and Sherwood to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.

86. 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 4-6: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	**40%**	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	10%	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	5%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	**60%**	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current Tenure Profile

87. The 2011 Census tenure profile for Collingham shows that a clear majority (79.1%) of households own their own homes, which is a higher proportion than across Newark and Sherwood and the nation as a whole. Correspondingly, there is less private and social renting in the parish than across Newark and Sherwood and England.

Affordability

88. Currently, the median house price in Collingham is £274,500, having grown by 66.4% since 2012. Lower quartile prices grew at a faster rate than the median price, at 72.4% over the same time period.

89. Average household incomes in Collingham are estimated to be around £49,200, though many households earn substantially lower. The lower quartile individual income (that of the lowest earning 25% of people) is £18,200 in Collingham, so a household with two lower earners could be expected to earn around £36,400.

90. Those with an average household income would struggle to buy any type of home in Collingham. The median home in Collingham would require an income threshold of £70,586, which is 43.5% above the average income. Moreover, the entry level home is still 11% above the average income in the NA. Affordability is improved in the rental market and should be accessible to households on average incomes and households with two lower earners.

91. Because of the large gap between the affordability of renting and ownership, affordable home ownership products offer good potential to extend home ownership in the parish. First Homes being offered at a minimum discount 30% discount and Shared Ownership at a 50% equity share in the dwelling would be comfortably affordable for households on average incomes. Moreover, with some extra savings or income these options may be affordable to some households with two lower earners. If not, First Homes at discount of 40% and Shared Ownership at a lower equity share would be affordable.

92. 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

93. A district wide HNA was completed for Newark and Sherwood in 2020 which considered the housing needs of the district, as part of the study an analysis was completed for the Collingham sub-area which can be used to estimate the scale of affordable housing required in Collingham. After prorating the figures for the sub-area to the parish this HNA recommends an additional 15-affordable homes per annum in Collingham. When the recommended tenure split of 60% affordable rental and 40% for affordable home ownership is applied this equates to 9 units for affordable rental and 6 units for affordable home ownership (or 135 and 90 over the neighbourhood plan period).

94. AECOM's own modelling suggests a potential demand for approximately 60 additional units being made available for affordable home ownership over the plan period. This estimate reflects the substantial potential demand from households in the private rented sector who would prefer to buy. In practice, many of these households have other options in the market and may not take up affordable home ownership if it were available in Collingham. This estimate is likely to represent the upper end of potential demand for these products. Given that Collingham is unlikely to see a significant amount of housing development until provided with an updated housing requirement figure, the neighbourhood plan may wish to focus on delivering affordable rental units which respond to the most acute need in the parish.

Delivery expectations and recommended tenure split

95. On the basis of Collingham having exceeded its housing requirement figure, it is difficult to establish the number of affordable homes that might be delivered over the Neighbourhood Plan period. For any new Affordable Housing that does come forward in the parish, this study suggests that maintaining the 60/40 tenure split would be appropriate. Moreover, without the new allocation of sites it is likely that

any new housing that comes forward in the parish does so in small and infill sites which may not trigger the threshold for affordable housing.

96. 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

97. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Collingham 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.

98. It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The recommendations in this chapter, particularly the final suggested size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

Existing types and sizes

Background and definitions

99. 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.

100. 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.

101. 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.

102. 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.

103. 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.

104. It should be noted here that the completions data provided indicates that 213 new dwellings were completed since 2011. These same figures suggest that 4 dwellings were lost over the same period, the 213 completed dwellings represent the net new dwellings added to the stock since 2011. However, it is not possible to access information that gives an accurate account of the size and type of these demolitions. It is not likely that these figures would in any way skew the results of this study. Furthermore, it should be noted that the size and mix of properties can also change through housing extensions and conversions, which also cannot be accurately captured by this analysis.

105. For the size mix of homes, adding together Census figures and completions data for the intervening period is the most accurate option. For the type of mix of homes, this method is not available, and Valuation Office Agency (VOA) data must be used. The most appropriate combination of approaches is used in this section.

Dwelling type

106. There were 1,245 dwellings within Collingham parish at the time of the 2011 Census, with 213 dwellings completed (net) since, taking the housing stock to 1,458 (estimated). As noted above, the breakdown of newly completed homes by type was not available. Table 5-1 below shows that the in 2011 the largest proportion of homes were detached (67.4%), followed by semi-detached (15.9%). There was a much smaller proportion of flats and terraced dwellings, which made up 6.7% and 8.6% of the housing stock respectively.

107. VOA 2021 data is also presented, but this unfortunately cannot be used to fully understand the changes between 2011 and 2020 because Census data counts bungalows within each of the other categories rather than independently, and because the VOA data relates to a slightly larger proxy area. Note also that VOA data is rounded to the nearest 10 in each dwelling category.

108. When comparing the two datasets the headline figure is the large proportion of Bungalows that are present in the parish, which account for 31.3% of the housing stock in the VOA dataset. In turn, this would explain the drop off in the number of

detached dwellings present in this dataset, considering that bungalows would often be detached. Other changes may be explained by demolitions and the other possible changes referenced above.

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

Dwelling type	2011 (Census)	2021 (VOA)
Bungalow	-	31.3%
Flat	6.7%	2.5%
Terrace	8.6%	10.6%
Semi-detached	15.9%	16.3%
Detached	67.4%	36.3%
Unknown/other	1.4%	3.1%
Total	100%	100%

Source: ONS 2011, VOA 2021, AECOM Calculations

109. The VOA data can be used however to compare the mix to the wider district and country, which is presented in Table 5-2 below. Collingham does appear to have a bias towards bungalows and detached dwellings when compared to the district and national figures. The figures suggest that bungalows represent a proportion of the housing stock that is 16 percentage points higher than the district and 22 percentage points higher than national averages. Moreover, detached dwellings represent a proportion of the housing stock that is close to 10 percentage points higher than the district and 21 percentage points higher than national averages. This high proportion of detached and bungalow dwellings is offset by lower proportions in other categories. Table 5-2 suggests that flats represent only 2.5% of the housing stock in the NA, in comparison to 8.8% in the district and 23.7% nationally.

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

Dwelling type	Collingham	Newark and Sherwood	England
Bungalow	31.3%	15.1%	9.2%
Flat	2.5%	8.8%	23.7%
Terrace	10.6%	17.1%	26.1%
Semi-detached	16.3%	29.6%	23.7%
Detached	36.3%	26.7%	15.8%
Unknown/other	3.1%	2.7%	1.4%

Source: VOA 2021, AECOM Calculations

Dwelling size

110. Table 5-3 below presents data on the size mix of dwellings in Collingham in terms of the number of bedrooms available. To present a more up-to-date account of the size mix, completions data provided by the LA can be amalgamated with the Census 2011 data. In turn, this is set alongside VOA data which is more likely to reflect changes such as extensions and demolitions (for a slightly wider proxy area).

111. Both data sets show that Collingham's housing profile is dominated by 2-4 bed dwellings, accounting for approximately 90% of the total housing stock.

Completions data broadly reflects this trend, however, it does appear there has been a focus on delivering 2-bed dwellings which account for 48% of the new housing in Collingham since 2011. Another point of note is that there does appear to be a small offering in terms of 1 bed accommodation, which has risen slightly as a consequence of recent development.

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

Number of bedrooms	2011 (Census)	Completions 2011-2021 Newark and Sherwood	2021 total (Census + completions)	2021 (VOA)
Studio	-	-	-	-
1	3.1%	9.7%	4.0%	3.9%
2	28.1%	47.5%	30.9%	28.9%
3	38.2%	17.5%	35.2%	39.5%
4	23.4%	19.8%	22.8%	20.4%
5+	7.2%	5.5%	7.0%	5.9%
Unknown	-	-	-	1.32%
Total	100%	100%	100%	100%

Source: ONS 2011, VOA 2021, AECOM Calculations

112. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 below presents this data and suggests that Collingham has a smaller proportion of 1-bed dwellings (4%) that the district (6%) and nationally (13%). The NA appears to have a proportion of 4-bed dwellings (20.4%) that is 5 percentage points higher than the district (15.4%) and 8 percentage points higher than the national average. Otherwise, the housing profile in terms of size does not deviate significantly from the LA and national averages.

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

Number of bedrooms	Collingham	Newark and Sherwood	England
1	3.9%	6.0%	12.6%
2	28.9%	23.5%	28.4%
3	39.5%	50.2%	43.0%
4	20.4%	15.4%	12.1%
5+	7.2%	5.5%	3.3%

Source: VOA 2021, AECOM Calculations

Age and household composition

113. Having established the current stock profile of Collingham 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

114. Table 5-5 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. The largest cohort of the population are those aged 45-64 (31%), followed by those aged 65-84 (26.1%) with both groups cumulatively accounting for 57% of the total population.

115. ONS (2020) population estimates place the Collingham population at approximately 2,980, which is a 9% increase on the 2011 Census figure (2,740). 2021 Census population figures are currently only available at LA level. When these are compared to the 2011, they suggest there has been a 7% increase in the district wide population over the ten-year period. This is broadly in line with the ONS estimates for Collingham, however Census data published at neighbourhood level will provide a more accurate reflection of any changes that have occurred over this time.

116. When the Collingham Census data is broken down by age structure and compared to ONS population estimates, it shows a slight variation in the two cohorts referenced above. The table shows a slight drop in the proportion of those aged 45-64 (27%) and an increase in those 65-84 (32%). These shifts generally suggest a movement of people from younger to older age brackets. Other than this and a slight decrease (approximately 2 percentage points) in those aged 25-44, there are few other significant shifts. From conversations with Steering Group, it was indicated that there has been a significant amount of extra care facilities developed in the parish recently. It was suggested this has encouraged some of the older population to downsize their homes, which has freed up some of the housing stock for families. The slight increase in the number of children between both datasets would point toward this trend.

117. 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. The Census 2021 results when released in full at parish level will provide a more detailed breakdown of any changes in the population profile of the NA.

118. 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.

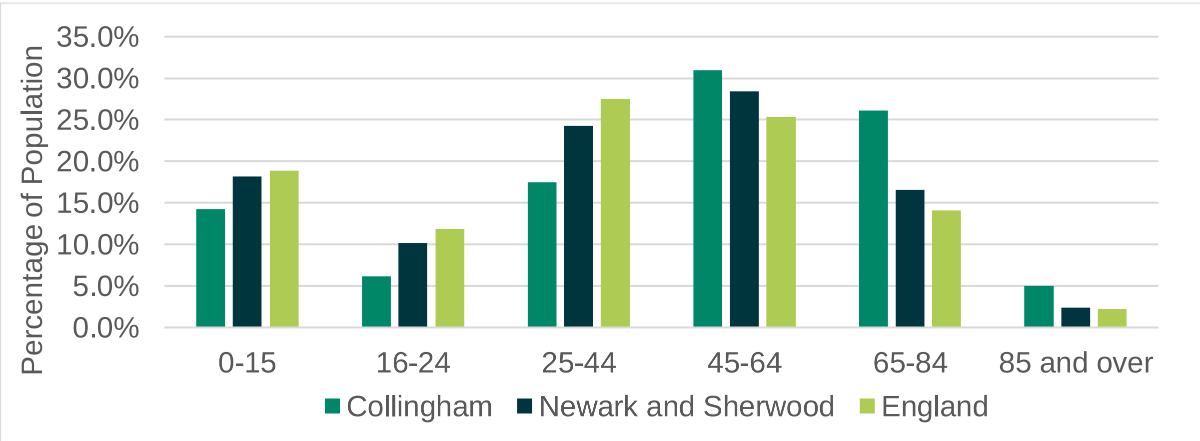
Table 5-5: Age structure of Collingham population, 2011 and 2020

Age group	2011 (Census)		2020 (ONS, estimated)	
0-15	390	14.2%	420	14.2%
16-24	169	6.2%	210	7.0%
25-44	479	17.5%	469	15.7%
45-64	848	31.0%	798	26.8%
65-84	715	26.1%	953	32.0%
85 and over	137	5.0%	130	4.4%
Total	2,738	100%	2,980	100%

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

119. 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 Collingham had a significant older bias in its population profile, at approximately 10 percentage points higher than the district and national trends. At the other end of the population spectrum the table below shows that Collingham has a smaller proportion of those aged 16-24 and 25-44 than was present across the district and the nation as a whole. These figures suggest that population trends are moving toward an aging population at a faster rate than the district and national averages, possibly due to the recent provision of the extra care housing.

Figure 5-1: Age structure in Collingham, 2011



Source: ONS 2011, AECOM Calculations

Household composition

120. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-6 shows that generally Collingham follows district and national trends with there being more family households than single people. However, there is a slightly higher proportion of people in the Collingham population living alone than there are in the district and across the nation.

121. Families with dependent children are the largest group of households, in common with Newark and Sherwood, albeit Collingham is slightly above both the benchmark areas. 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 18.4% between 2001 and 2011 in the parish which is around 8 percentage points higher than the district rate of growth.

Table 5-6: Household composition, various geographies, 2011

Household composition		Collingham	Newark and Sherwood	England
One person household	**Total**	**24.6%**	**28.4%**	**30.2%**
	Aged 65 and over	15.3%	13.3%	12.4%
	Other	9.3%	15.1%	17.9%
One family only	**Total**	**72.9%**	**67.0%**	**61.8%**
	All aged 65 and over	16.3%	10.2%	8.1%
	With no children	20.6%	21.1%	17.6%
	With dependent children	27.6%	26.3%	26.5%
	With non-dependent children[8]	8.3%	9.4%	9.6%
Other household types	**Total**	**2.6%**	**4.7%**	**8.0%**

Source: ONS 2011, AECOM Calculations

Occupancy ratings

122. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.

123. In terms of household occupancy, the table below indicates that in Collingham there are generally enough rooms to adequately house a majority of the population, showing just 0.7% overoccupancy across the housing stock. Conversely, the figures do suggest that there are a significant number of dwellings with surplus bedrooms, particularly among the older population. A significant majority of 98% of households have more bedrooms than they might be expected to need.

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

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	67.7%	30.3%	2.0%	0.0%
Single person 65+	46.8%	49.2%	4.0%	0.0%
Family under 65 - no children	74.4%	23.8%	1.8%	0.0%

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

Family under 65 - dependent children	35.9%	40.4%	22.0%	1.8%
Family under 65 - adult children	35.2%	34.3%	26.9%	3.7%
Single person under 65	53.4%	35.4%	11.2%	0.0%
All households	53.7%	35.7%	9.9%	0.7%

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

Suggested future dwelling size mix

124. 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 Collingham 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.

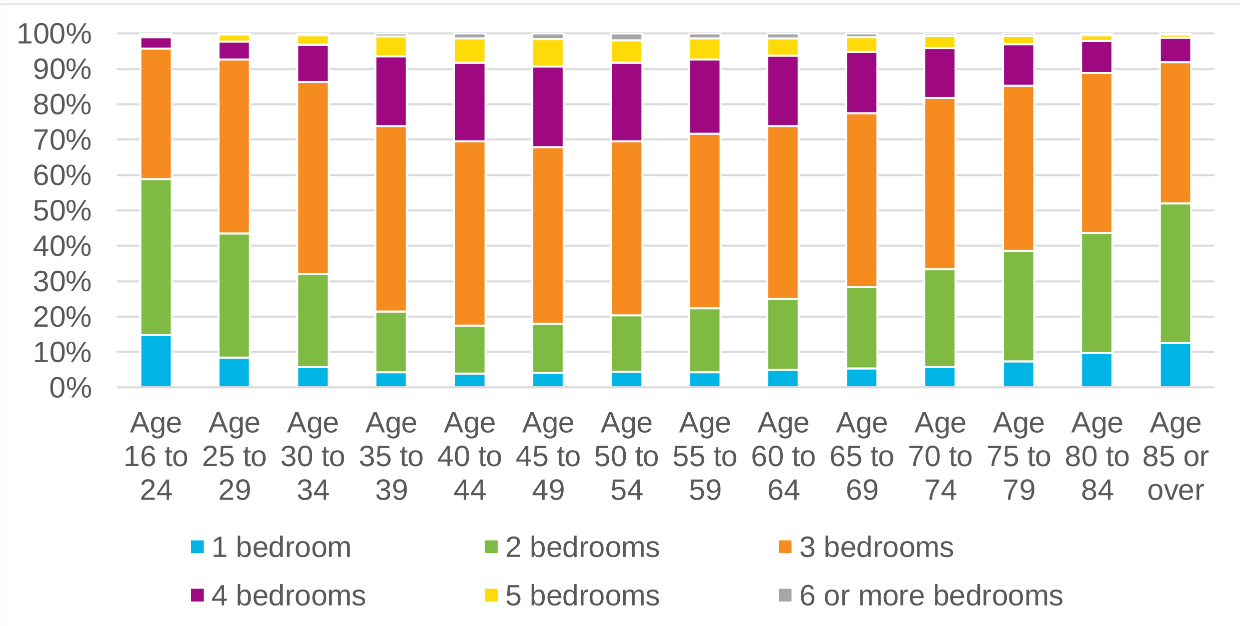
125. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more 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.

126. 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.

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

128. The first, given as Figure 5-2, sets out the relationship between household life stage and dwelling size for Newark and Sherwood 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 Newark and Sherwood, 2011



Source: ONS 2011, AECOM Calculations

129. The second dataset of note is the result of applying LA level household projections to the age profile of Collingham households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-8 makes clear that population growth can be expected to be driven by the oldest households, with 63% growth in older (65+) households expected between 2011 and 2036. A further 19% growth is projected in the younger population (aged 25-34). There is limited growth expected in the other age cohorts, which show either limited growth or a slight decline. In terms of impact on the housing stock, both growing age cohorts may need access to smaller/mid-sized homes.

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

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	1,334	5,195	18,783	9,176	14,285
2036	1,343	6,172	18,771	9,973	23,292
% change 2011-2036	0.7%	18.8%	-0.1%	8.7%	63.1%

Source: AECOM Calculations

130. The final result of this exercise is presented in Table 5-9. The model suggests that a more diverse housing offer is required to accommodate projected shifts in the needs of the local population. To achieve greater diversity in the housing stock overall (new and existing dwellings), the focus of future housing delivery should be on small/mid-sized homes. Specifically, the model suggests an increased delivery of 3-bed (73%) and 1-2 bed (27%) homes. It should be noted that is based purely on demographic trends in combination with the existing housing stock (which, we have noted, is larger than average). People often desire to live in larger homes, which would justify seeking a less imbalanced mix than that suggested by the model.

Table 5-9: Suggested dwelling size mix to 2036, Collingham

Number of bedrooms	Current mix (2011)	Target mix 2036	Balance of new housing to reach target mix
1 bedroom	3.1%	6.3%	15.3%
2 bedrooms	28.1%	24.7%	11.9%
3 bedrooms	38.2%	48.1%	72.8%
4 bedrooms	23.4%	15.8%	0.0%
5 or more bedrooms	7.2%	5.1%	0.0%

Source: AECOM Calculations

131. There are a number of points worth considering in response to this output from the model. Firstly, the high proportion of smaller homes recommended is a blunt indicator of future needs, which may not be suitable to the current built environment and pattern of development in NA. Secondly, the model assumes that the dwelling stock is fluid, and people can move and swap at will, which is unrealistic

132. These figures are drawn from Census 2011 data, and any future provision should take into account changes in the dwelling stock in the interim. When reflecting on the profile of new build housing in the parish since 2011, close to 50% have been 2-bed dwellings. Thinking about this trend in the context of the recommended housing mix, it could be suggested that much of the identified need for 2-bed dwellings will have already been met by recent delivery. As such, any future delivery should likely focus on delivering on the identified need for 1 and 3 bed dwellings.

133. 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.

134. 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.

135. The preceding chapter found that affordability is a serious and worsening challenge in Collingham. 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.

136. 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.

137. 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.

138. 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 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

Current housing stock and demographic change

139. With regards to the type and size of dwellings on offer in Collingham, the parish has a large proportion of detached dwellings (67.4%) which is higher than in Newark and Sherwood and England. In turn, there is a limited offering of other housing types with a particular scarcity of (typically more affordable) flats and terraced dwellings.

140. Collingham has a population that is dominated by older people and families, with 2020 (ONS) estimates suggesting that those aged 45+ account for approximately 59% of the overall population in the parish. When compared to Newark and Sherwood and England, Collingham has a population profile with an older bias. As such, the population in Collingham can be said to be aging, though a robust population of families remain.

141. This ageing trend is likely to continue. Household projections suggest that Collingham will see a significant rise of 63% in its older population over the Neighbourhood Plan period, while younger age groups grow much more slowly or decline. However, given the increase in smaller dwellings (2-bed) it might be suggested that the parish might see a growth in its younger population that is not yet borne out in the figures. Following the observations from the group, this growth of younger cohorts would be a result of the trend of older population downsizing to specialist facilities, freeing up larger family sized homes. The growth of 2-bed homes may also attract a younger population of first-time buyers and also could encourage downsizing for the older population.

The future housing mix

142. 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 Collingham, it is recommended that the parish diversify its housing mix by increasing the number of 3-bedroom dwellings on offer, and also slightly increase the number of 1/2-bed dwellings on offer.

143. It should be noted that this model is a fairly blunt indication of future needs, which 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.

144. 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. Next Steps

Recommendations for next steps

145. This Neighbourhood Plan housing needs assessment aims to provide Collingham 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 Newark and Sherwood 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 Newark and Sherwood District Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Newark and Sherwood District Council.

146. 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.

147. 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, Newark and Sherwood District Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

148. 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.

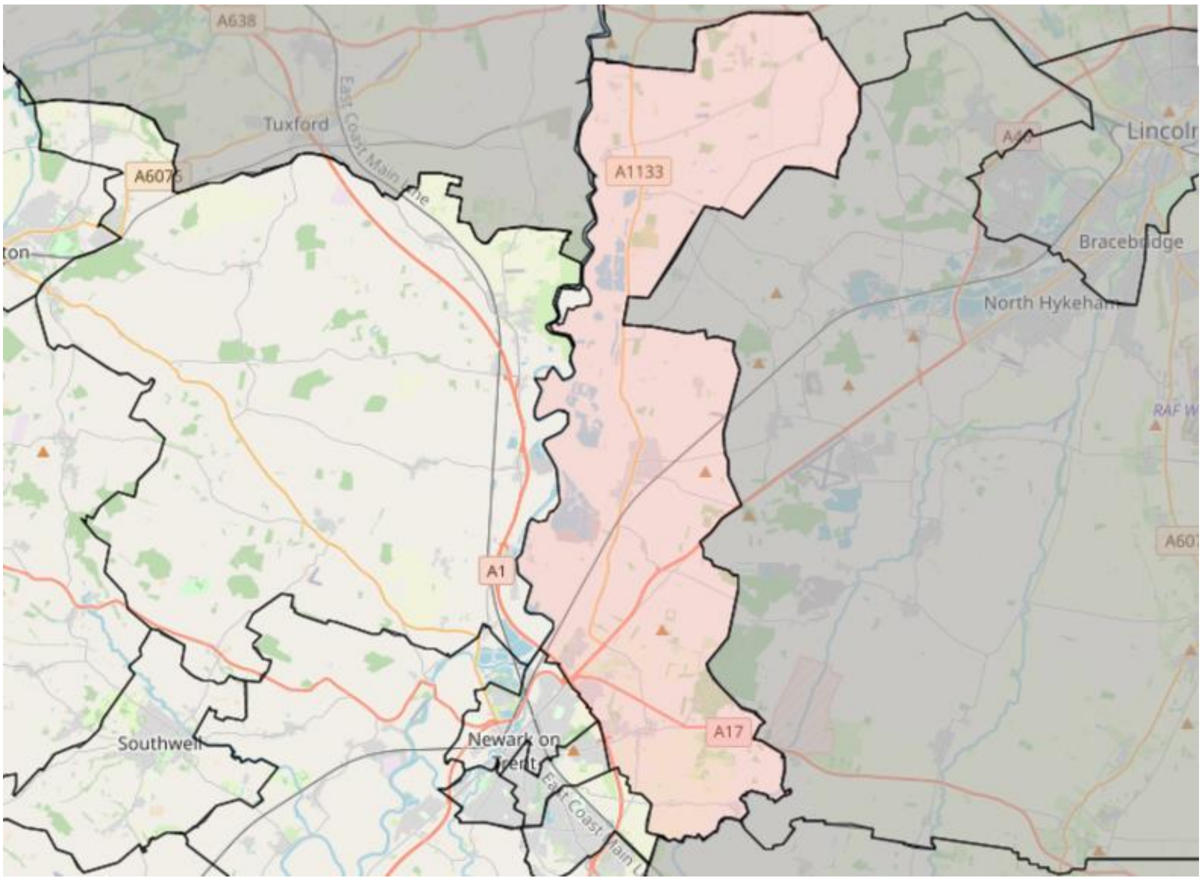
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

149. 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.

150. 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 Collingham, it is considered that MSOA: E02005896 is the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map of E02005896 appears in Figure A-1.

Figure A-1: MSOA E02005896 used as a best-fit geographical proxy for the Neighbourhood Area



Source: ONS

A.2 Market housing

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

152. 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

153. 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.

154. 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 Collingham, 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.

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

- Value of a median NA house price (2021) = £274,500;
- Purchase deposit at 10% of value = £27,450;
- Value of dwelling for mortgage purposes = £247,050;
- Divided by loan to income ratio of 3.5 = purchase threshold of £70,586.

156. 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 £211,250, and the purchase threshold is therefore £54,321.

157. 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 3 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 Collingham. 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 Newark and Sherwood 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 £226,784 and purchase threshold of £58,316.

158. 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 Newark and Sherwood in 2021. The median cost of new build dwellings in Newark and Sherwood was £226,248, with a purchase threshold of £58,178, which is broadly the same as what could be expected for new build entry-level dwellings in Collingham.

ii) Private Rented Sector (PRS)

159. 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.

160. 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.

161. The property website Home.co.uk shows 9 rental values for property around the Neighbourhood Area. Searching just the NA did not yield a large enough sample size to accurately reflect rental process in the parish. As such, a search area encompassing a 4 mile radius was used as a reasonable proxy for rental prices. 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.

162. According to home.co.uk, there were 9 properties for rent at the time of search in September, 2022, with an average monthly rent of £882. There were 2 two-bed properties listed, with an average price of £725 per calendar month.

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

- Annual rent = £725 x 12 = £8,700;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £29,000.

164. The calculation is repeated for the overall average to give an income threshold of £35,280

A.3 Affordable Housing

165. 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

166. 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.

167. 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 Collingham. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Newark and Sherwood in the Table A-1.

168. 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	£67.60	£79.78	£91.14	£100.72	£88.76
Annual average	£3,515	£4,149	£4,739	£5,237	£4,616
Income needed	£11,706	£13,815	£15,782	£17,441	£15,370

Source: Homes England, AECOM Calculations

ii) Affordable rent

169. 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).

170. 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%.

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

172. Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 64% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£78.73	£94.24	£103.14	£143.40	£93.63
Annual average	£4,094	£4,900	£5,363	£7,457	£4,869
Income needed	£13,633	£16,319	£17,860	£24,831	£16,213

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

173. 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.

174. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of 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

175. 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.

176. The starting point for these calculations is therefore the estimated cost of new build entry-level housing in the NA noted above of £226,784.

177. 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) = £226,784;
- Discounted by 30% = £68,035;
- Purchase deposit at 10% of value = £15,875;
- Value of dwelling for mortgage purposes = £142,874;
- Divided by loan to income ratio of 3.5 = purchase threshold of £40,821.

178. 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 £34,990 and £29,158 respectively.

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

180. 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[9]) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Collingham.

Shared ownership

181. 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'.

182. 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.

183. 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).

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

- A 25% equity share of £226,784 is £56,696;
- A 10% deposit of £5,670 is deducted, leaving a mortgage value of £51,026;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £14,579;

[9] 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/

- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £170,088;
- The estimated annual rent at 2.5% of the unsold value is £4,252;
- This requires an income of £14,174 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £28,753 (£14,579 plus £14,174).

185. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £22,840 and £38,607 respectively.

186. Discounts at up to 75% would meet income thresholds below the £80,000 cap at which households are eligible for a Shared Ownership.

Rent to Buy

187. 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)

188. 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.

189. 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[10].

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard[11]

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.

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

[11] 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[12]

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)[13]

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

Equity Loans/Shared Equity

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

[12] See https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary
[13] 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[14], i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

[14] 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[15]

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

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

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for the Elderly

Specialist housing for the elderly, sometimes known as specialist accommodation for the elderly, encompasses a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups (usually 55+ or 65+). This could include residential institutions, sometimes known as care homes, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services. This housing can be provided in a range of tenures (often on a rented or leasehold basis).

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.[16]

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

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