

Botley Housing Needs Assessment (HNA)

July 2019

Quality information

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Revision History

Revision	Revision date	Details	Authorized	Name	Position
REV 01	20/06/19	Draft for internal review	TS	Tony Sloan	Graduate Planning Consultant
REV 02	26/06/19	Draft for client review	SW	Stuart Woodin	Technical Director
REV 03	09/07/19	Draft for Locality review	TS	Tony Sloan	Graduate Planning Consultant
REV 04	16/07/19	Final Report	TS	Tony Sloan	Graduate Planning Consultant

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
BPC	Botley Parish Council
EBC	Eastleigh Borough Council
HNA	Housing Needs Assessment
HNF	Housing Need Figure
Housing LIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
LQAR	Lower Quartile Affordability Ratio
MAR	Median Affordability Ratio
MH	Market Housing
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood (Plan) Area
NDP	Neighbourhood Development Plan
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OAHN	Objectively Assessed Housing Need
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
PUSH	Partnership for South Hampshire
RQ	Research Question
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1.1 Introduction

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

1.2 Research Questions

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

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

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

1.3 Findings of RQ 1: Tenure and Affordability

2. Botley is characterised by a high level of home ownership and a lower proportion of rental tenures. During the intercensal period the number of households outright owning their homes, increased in Botley at a greater rate than that found in Eastleigh and England (where national trends indicate a decline in home ownership levels). The amount of shared ownership in Botley increased at a rate similar to the national level but at a significantly lower rate than the increase at the borough level.
3. Between 2001-2011, the social rented sector in Botley declined at a rate greater than the national level, contrasting the increase found at the borough level. Significantly, the rate of change in the private rented sector in Botley increased at double the rate of change at the borough level and four times the rate of change national level.
4. Houses prices experienced a strong rise in Botley between 2009 and 2018. The median house price increased by 53.6% over the period whilst lower quartile prices experienced a more gradual increase over the period. Semi-detached experienced the greatest price growth, whilst flats experienced the lowest price growth.
5. It is evident that household affordability is an issue in the NA, the income required to buy an average priced market home for sale is insufficient for those on median household incomes. The inability of those on median incomes to afford entry-level properties suggests that those on lower quartile incomes will face an even greater struggle to find accommodation. This would suggest that affordable and social rent tenures may be more suitable to support those residents on lower quartile incomes.
6. Our findings suggest there is may be a demand for a much wider mix of tenures to meet the community's housing needs, it is recommended there should be a specific focus on providing (1) social rent and affordable rent; and (2) shared ownership housing options. Although it will also be necessary to explore starter home options as an affordable path to home ownership, this tenure may still be out of reach to those on the lowest incomes in the NA.

1.4 Findings of RQ 2: Type and Size

7. Botley is characterised by larger properties with the majority of dwellings having five rooms or more, reflecting the housing distribution of the borough as a whole. Botley is shown to have a higher share of very large dwellings (more than 7 rooms) compared to the borough level, and a lower proportion of smaller sized 'entry-level homes' (dwellings of 1-3 rooms) compared to Eastleigh.
8. The data suggests that Botley has an adequate number of bungalows when compared to the borough level, although there appears to be an overabundance of larger bungalows and a shortage of smaller one-bedroom bungalows. Reflecting this, the number of one room dwellings in Botley decreased over the census period at a rate significantly higher than the rate experienced at the borough and national levels. The number of two room dwellings however, fell, contrasting the growth experienced at the borough and national levels. All other sized dwelling increased in Botley over the census period, again these rates of change were significantly higher than the borough and national levels.

9. Botley has a relatively older population compared to national and local levels. In terms of the changing age structure, the rate of change in all age groups in Botley has been significantly higher than the rates at both borough and National levels. Botley has experienced the largest rate of growth in the proportion of residents aged 16-24, five times that experienced at the borough level. Whilst the population of Botley is relatively older the growth in younger age groups suggests there may be a need to provide for younger families.
10. Overall, Botley has less one-person households compared to the borough, however, the proportion of one-person households aged 65 and over is greater. Looking at one family households, the proportion of those aged 65 and over is once again greater in Botley, the proportion of households with no children is also higher. These findings reflect the higher proportion of older people in Botley.
11. Between 2001 and 2011, the number of one person households in Botley increased significantly compared to the borough level. The proportion of those aged 65 also increased at a greater rate than the borough level. The number of households with no children more than doubled. That said, the number of households with dependent children also experienced a significant increase, albeit at a lesser rate. This reflects the finding that whilst the population is comparably older there has been a growth in younger age groups.
12. In Botley, one and two bedroom properties are more popular amongst those aged between 16 and 29. Larger properties become more popular for those aged 30 and beyond. The popularity of one and two bedroom properties increases for those aged 55 and over, although there is still a significantly high level occupying larger properties. It's only when we get to the 85 and over age group where the proportion of those living in smaller one and two bedroom properties is greater than those living in larger properties. This may indicate a lack of opportunity and/or reluctance to downsize.
13. To satisfy the requirements of increasingly smaller and older households, but also to enable younger households to remain in the area, it is recommended that around 53% of houses in new developments should be three-bedroom homes, around 14.5% should be two-bedroom homes and around 15.4% should be one-bed homes.

1.5 Findings of RQ 3: Specialist Housing

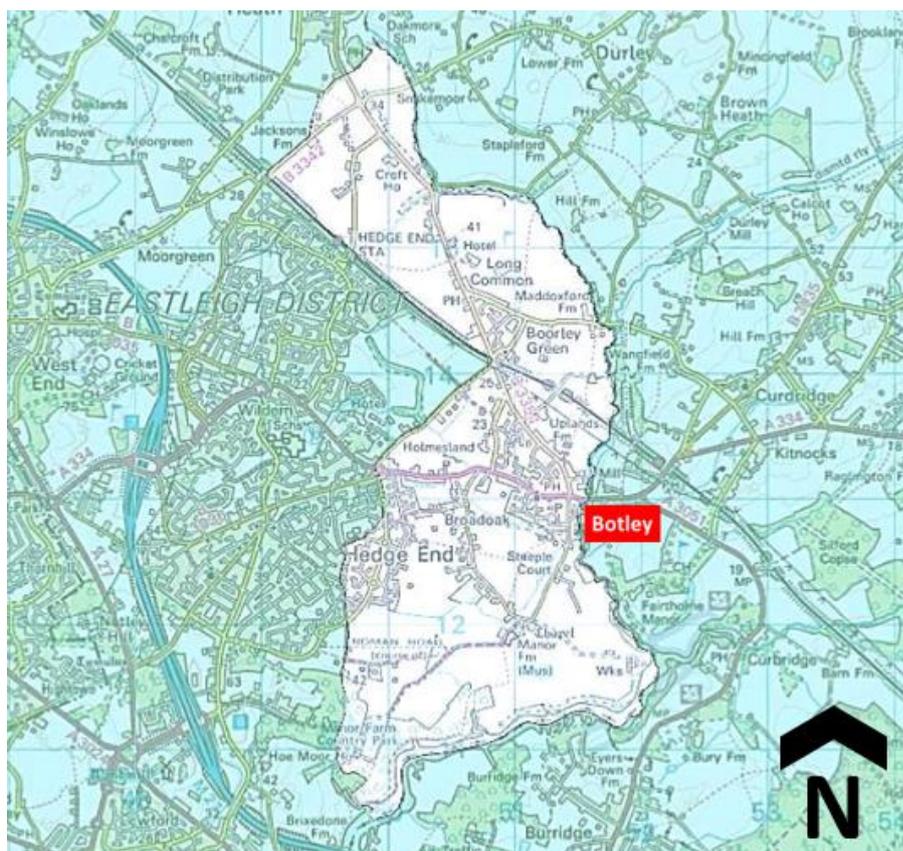
14. There are 167 existing units of specialist housing for older people in Botley, for a 2011 population of 443 people aged 75. Suggesting the actual rate of provision is approximately 380 dwellings per 1000 population aged 75+.
15. HLIN calculations suggest an overall total of 106 specialist dwellings for those who require housing with care. By contrast, the tenure led calculations suggest the number of households falling into potential need for specialist accommodation is therefore 296.
16. Our recommendation would be to treat these targets as a range, with at least 106 specialist dwellings being required to service the needs of elderly people over the Plan period, and the projection of 296 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.
17. As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to ensure both the upper and the lower estimates are net rather than gross figures by deducting the current supply of specialist housing for older people in Botley and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.
18. Referring to the minimum target produced by the Housing LIN-based calculation, this means there are an additional (i.e. net) 274 specialist units (380 – 106) that need to be provided over the Plan period.
19. In addition, given that specialist housing for the elderly costs more to build, it is considered that to assume 35% of all specialist housing for the elderly should comprise AH tenures is reasonable and realistic, midway between the tenure-led and Housing LIN projections. This midpoint target should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate.
20. Wherever specialist housing need is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for elderly people who wish to leave their family homes in their old age.
21. Every effort should be made to bring forward specialist housing within Botley, but that if suitable sites or developers are not forthcoming, Botley's need could also be addressed through a hub and spoke mode. Hedge End is considered to have potential to accommodate the specialist housing need arising from the neighbourhood plan area.

2. Context

2.1 Local context

22. Botley is a civil Parish located in the eastern edge of the administrative area for Eastleigh Borough Council (Eastleigh), bordering the adjoining Winchester district. Botley is located approximately 7 miles east of Southampton
23. The Parish includes the historic village of Botley, located on the upper reaches of the River Hamble. The village has a historic significance as one of the oldest settlements in the Borough. The village contains many listed buildings and is protected by a Conservation Area designation that covers the village centre, extending to south, including areas of countryside historically linked to the village.
24. Botley Parish extends beyond the village of Botley to include Boorley Green to the north, and housing in the eastern edge of the town of Hedge End. The Parish of Botley covers approximately 872 hectares, with a population of 5,083 as of the 2011 census.
25. Botley is within 10 minutes' drive of the M27 which provides connections to important settlements such as Southampton, Portsmouth and Fareham.
26. In December 2015, Eastleigh Borough Council designated the Neighbourhood Area (NA) for Botley in order to facilitate the preparation of a Neighbourhood Plan by the Parish Council as the Qualifying Body (QB). The area defined comprises the whole of Botley parish. A map identifying the designated Botley NA is shown below in Figure 2-1. The NP will cover the period from 2016 to 2036. Where Botley is referred to in the report, it implies Botley Parish, unless the village alone is specifically referred to.

Figure 2-1: Map of the Botley Neighbourhood Plan Area¹



Source: Eastleigh Borough Council website

¹ Available at <https://www.eastleigh.gov.uk/media/2745/botley-neighbourhood-area-map-of-proposed-neighbourhood-area.pdf>

2.2 Planning policy context

27. In line with the Basic Conditions² of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies. Consequently, there is a need for the relevant elements of the Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
28. The current Local Plan for Eastleigh comprises the ‘saved’ policies from the Eastleigh Borough Local Plan Review (2001-2011), adopted in May 2006.³
29. Eastleigh have produced a new draft Local Plan, the Emerging Eastleigh Local Plan 2016 – 2036, to replace the existing Local Plan.⁴ Following a period of public consultation, the draft Local Plan was submitted to the Secretary of State for Independent Examination in October 2018. This draft, and submitted, Local Plan will therefore be reviewed as part of this HNA, given its advanced stage of development, alongside the adopted 2006 Local Plan.

2.2.1 Policies in the adopted local plan

30. Table 2-1 below includes the policies within the adopted Local Plan that are considered relevant for this HNA:

Table 2-1: Summary of Eastleigh adopted policies having relevance to Botley Neighbourhood Plan Housing Needs Assessment

Policy	Provisions
14.CO Mobile home parks	To maintain the availability of alternative forms of housing planning permission will not be granted for the replacement of mobile home parks in the countryside by permanent housing.
72.H Housing density	Promotes a maximum residential density up to or beyond 50 dwellings per hectare. Where the amenity of the area is particularly dependent on lower density development, the Council will consider densities as low as 30 dwellings per hectare.
73.H Housing mix	Housing proposals for 15 dwellings or more will be required to provide appropriate mix of dwelling types.
74.H Affordable housing	Sets target of 35% affordable housing on all sites capable of accommodating 15 or more dwellings
75.H Affordable Housing on smaller sites	Permission will not be granted for housing development where the number of units is insufficient to make most effective use of the land.
85.H Conversion to flats	Promotes the conversion to units of smaller accommodation, provided the property to be converted is sufficient size.
86.H HMOs	Sub-division of dwellings is permitted as long as the amenities of occupants and neighbouring properties are protected.

Source: Adopted, Eastleigh Borough Local Plan Review (2001-2011) (Adopted 25 May 2006)

2.2.2 Policies in emerging Local Plan

31. Table 2-2 overleaf includes summary of those policies from the emerging Draft Local Plan that are considered relevant for this HNA:

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

³ Available at <https://www.eastleigh.gov.uk/planning-and-building/planning-policy-and-implementation/local-plan/local-plan-2001-2011>

⁴ Available at <https://www.eastleigh.gov.uk/planning-and-building/planning-policy-and-implementation/local-plan/emerging-local-plan-2016-2036>

Table 2-2: Summary of Eastleigh emerging policies having relevance to Botley Neighbourhood Plan Housing Needs Assessment

Policy	Provisions
Strategic policy S2, Approach to new development	Promotes a minimum of 14,580 new dwellings between 2016-2036. Support the provision of an average of 165 (net) new affordable homes per annum as part of the overall net additional homes provided each year.
Strategic policy S3, Location of new housing	Proposes development of approximately 1,700 dwellings on strategic sites at Boorley Green (Boorley Park, 1400) and Botley (Winchester Street, 300).
Strategic policy S8, Protection of countryside gaps	Restricts development within countryside gaps to maintain the separate identity of settlements.
Policy DM24 Housing Sites, and Mixed use sites including housing with Planning Permission	Identifies sites for residential development which benefit from either a valid planning permission or a current Council resolution to permit residential development within Botley Parish. Including: <ul style="list-style-type: none"> • Land north and east of Boorley Green (1,400 dwellings) • Land east of Sovereign Drive and Precosa Road (103 dwellings) • Crows Nest Lane, Boorley Green (50 dwellings) • Maddoxford Lane, Boorley Green (50 dwellings) • Land South of Long Garden Cottage (14 dwellings) • Land north of Hedge End Station, Winchester Road (680 dwellings)
Policy DM26 Creating a mix of housing	Requires applicants for market residential and mixed-use schemes to demonstrate contribution to the overall mix in Housing Market Area, informed by the current need. Where appropriate, applicants should demonstrate contribution of suitable properties for first time buyers, downsizers, and those in need of lower cost housing.
Policy DM27 Delivering Older peoples housing	Supports the provision of accommodation suitable for the needs of older people.
Policy DM30 Delivering affordable housing	Requirement for 35% affordable housing, where the proposal comprises: <ol style="list-style-type: none"> i. 0.33ha+ site area, or accommodates 11 + dwellings; or ii. combined gross floor space of 1,000m²; unless iii. unacceptable impact on economic viability. Tenure split, size and type of affordable housing will be informed by the latest SHMA, housing register and existing level and type. The inclusion of specialist accommodation for older people within the affordable housing requirement may be appropriate.
Policy BO1, Land south of Maddoxford Lane and east of Crows Nest Lane	An area allocated for the development of approximately 30 dwellings.
Policy BO2, Land west of Uplands Farm, Botley	An area of approximately 26ha allocated for the development of approximately 300-375 dwellings
Policy BO3, Land east of Kings Copse Avenue and east of Tanhouse Lane	An area of approximately 6.18ha of allocated for the development of 70 dwellings.
Policy BO4, Land north of Myrtle Cottage, Winchester Road	An area of approximately 1.1ha allocated for development to include approximately 22 dwellings.

Source: *Emerging, Eastleigh Borough Local Plan 2016-2036 (Published June 2018)*

2.2.3 Quantity of housing to provide

32. The NPPF 2018 requires, through paragraphs 65 and 66, Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
33. Eastleigh has fulfilled that requirement by providing Botley with a definitive figure of between 422-497 additional dwellings to be accommodated within the Plan area by the end of the Plan period (i.e. Policies BO1 to BO4).⁵ While this figure is considered definitive as it has been included within the draft Local Plan, AECOM is aware this figure may change as a result of the examination process.
34. Given that the NPPF requirement has already been fulfilled, the question of how many houses to plan for has already been answered. It is therefore outside the scope of this Housing Needs Assessment; for this reason, the issue of quantity has been excluded from the Research Questions (see Chapter 3 below).
35. While AECOM is aware that the neighbourhood group is seeking further clarity on how the quantity figure was calculated by Eastleigh, this can be done by making appropriate representations through the Local Plan process rather than through this Housing Needs Assessment, which must proceed on the basis of the definitive housing quantity provided.

⁵ As confirmed in Emerging Eastleigh Local Plan 2016 – 2036. Available at <https://www.eastleigh.gov.uk/planning-and-building/planning-policy-and-implementation/local-plan/emerging-local-plan-2016-2036>

3. Approach

3.1 Research Questions

36. Research Questions, abbreviated to 'RQ;' are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct our research and provide the structure for the HNA.
37. Below we set out the RQs relevant to this study, as discussed and agreed with Botley.

3.1.1 Tenure and affordability

38. The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future. Moreover, it has been suggested there are younger residents who are unable to afford market housing in the area and are unable to access Social Rented dwellings.
39. This evidence will allow Botley to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.

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

3.1.2 Type and size

40. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. The neighborhood group recognise there is need to provide adequate housing to retain young people within the area as well as fulfilling the needs of the elderly population.
41. The aim of this research question is to provide neighbourhood planners with robust evidence on the types and sizes needed by the local community. This will ensure future development truly reflects what residents need.

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

3.1.3 Specialist housing for the elderly

42. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of the elderly. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – such as smaller units, independent living provision, and so forth – rather than just care homes. There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for the elderly through the Plan period.

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

3.2 Relevant Data

3.2.1 Local authority evidence base

43. It is reasonable and appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As Botley Neighbourhood Area is located within Eastleigh's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA), which is known as South Hampshire SHMA.
44. The South Hampshire SHMA was published in January 2014 by Partnership for South Hampshire (PUSH). In April 2016, PUSH published its 'Objectively-Assessed Housing Need Update' (OAHNU) report, which in effect, is an update of the 2014 PUSH SHMA. In June 2018.
45. The SHMA itself is a strategic document focusing on housing at the borough level (it contains no parish specific conclusions). However, given that the 2011 Census is now relatively old, and given the extent of SHMA work in the

intervening period, it makes sense to cross-reference the Census findings with relevant data from the SHMAs to ensure that it remains valid and up-to-date. The caveat to apply to the SHMA data, however, is that although not parish-specific, in all the SHMA's analysis Botley forms part of a wider Eastleigh sub-region. The SHMA conclusions on the sub-region therefore remain relevant for the purposes of this assessment.

3.2.2 Other relevant data

46. In addition to the Eastleigh evidence base, we have assessed other evidence to ensure our study is robust for the purposes of developing policy at the NP level and is locally specific. This includes data from both Census 2001 and 2011, as well as from a wide range of other data sources, including:
- Land Registry data on prices paid for housing within the local market;
 - Population and household projections produced by the Office of National Statistics (ONS);
 - Information on current property asking prices, for housing for sale or rent, from home.co.uk;
 - Valuation Office Agency (VOA) data on local housing stock by dwelling type; and
 - The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for calculating need for differing types of specialist dwellings for elderly people.

4. RQ 1: Tenure and Affordability

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

4.1 Introduction

47. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.
48. This section will examine the tenure of dwellings in the current stock and recent supply. Then, looking at affordability, we will make an assessment on whether continuation of these trends would meet future needs. We will also investigate whether there are misalignments between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new developments to prioritise certain tenures, to bring supply and demand into better alignment.⁶

4.2 Definitions

49. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. AH comprises those forms of housing tenure that fall within the formal definition of Affordable Housing set out in the current NPPF: i.e. social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms of AH designed to offer affordable routes to home ownership.⁷ To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
50. The definition of Affordable Housing set out in the NPPF makes clear the Government's commitment to home ownership, but recognises the important role of social, affordable, and private rent tenures for those not currently seeking home ownership.
51. The revisions seek to broaden the definition of AH (which had previously referred only to social and intermediate housing- see glossary) to include a range of low-cost housing opportunities for those aspiring to own a home, including starter homes.
52. In paragraph 64 of the NPPF, the Government introduces a recommendation that "*where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership*". In line with PPG,⁸ the assumption should be that a 'major housing development' can be defined as a site of 10 dwellings or more, and that affordable home ownership includes starter homes, shared ownership homes, and homes available for discount market sale.

4.3 Current tenure profile

53. In order to set a baseline for our examination of tenure, it is necessary to present a picture of the Plan area based on the most recent reliable data. Table 4-1 overleaf presents Census data from 2011; this table shows the distribution of how households occupy their homes within Botley, compared to the rest of Eastleigh and England.
54. Table 4-1 overleaf highlights a higher percentage of home ownership in Botley compared to Eastleigh and England. Whilst home ownership is higher, the percentage of shared ownership in Botley is lower compared to borough and national levels. It is also noted that there is a significantly lower proportion of social and private rented households in Botley when compared to averages for Eastleigh and England.

⁶ PPG Paragraph: 021 Reference ID: 2a-021-20160401, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

⁷ NPPF 2018.

⁸ PPG 031 Reference ID: 23b-031-20161116, available at <https://www.gov.uk/guidance/planning-obligations>

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

Tenure	Botley	Eastleigh	England
Owned; total	79.8%	73.5%	63.3%
Shared ownership	0.4%	1.1%	0.8%
Social rented; total	9.4%	12.3%	17.7%
Private rented; total	9.8%	12.3%	16.8%

Sources: Census 2011, AECOM Calculations

55. In Table 4-2, we note the changes in the way households occupied their homes during the intercensal period. The table highlights how the number of households outright owning their homes, continued to increase in Botley at a vastly greater rate than that found in Eastleigh and England (where national trends indicate a decline in home ownership levels). The amount of shared ownership in Botley increased at a rate similar to the national level but at a significantly lower rate than the increase at the borough level.
56. The social rented sector in Botley declined at a rate greater than the national level, contrasting the increase found at the borough level. The private rented sector has trebled locally and mirrors significant growth at borough and national levels. Significantly, the rate of change in Botley is approximately double the rate of change at the borough level and four times the rate of change national level.

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

Tenure	Botley	Eastleigh	England
Owned; total	70.2%	1.0%	-0.6%
Shared ownership	33.3%	118.2%	30.0%
Social rented; total	-5.1%	16.1%	-0.9%
Private rented; total	332.7%	167.0%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

4.4 SHMA findings

57. The SHMA notes that larger or higher value stock is more prevalent in Eastleigh compared to Portsmouth and Southampton which in particular have a housing offer focused towards smaller and cheaper properties.
58. Considering the lower quartile affordability (price/income), the SHMA highlights amongst the core authorities, the issue of affordability is more acute in Eastleigh, with an affordability ratio of 8.7, significantly above the national level of 6.6. The SHMA notes there is a concentration of higher-value housing in Botley and Hedge End (as well as Chandler's Ford, and Park Gate), contrasting the more mixed housing/socio-economic profile found elsewhere in the PUSH area.
59. The SHMA indicates that Eastleigh experiences comparatively high prices for flats (£137,250), more than 10% above the other authorities in the PUSH area.
60. The SHMA also notes that affordability improves when considering the median house price to earnings level, in the case of Eastleigh this improvement is quite marked. This broadly indicates that issues with affordability are particularly focused on the lower end of the market rather than across the market as a whole.

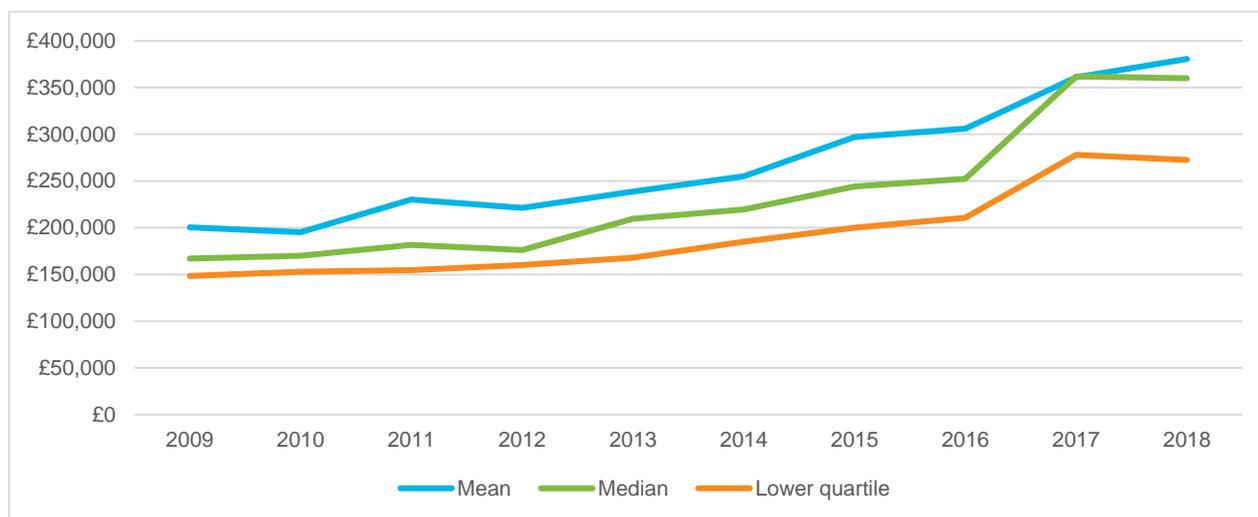
4.5 Affordability

61. Having now reviewed both the tenure of the existing housing stock in Botley and the findings of the SHMA, we now turn to assessing future provision over the Neighbourhood Plan period.
62. In order to understand whether the tenure profile of the current stock reflects the needs of the population currently and over the Plan period, an important starting point is to consider whether this profile provides different market segments access to dwellings of a suitable type and size, given their household composition.

4.5.1 House prices

63. In line with PPG⁹, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio¹⁰ (LQAR) and the Median Affordability Ratio¹¹ (MAR). While this is a relatively crude measure of affordability, as it does not take account of the cost of servicing mortgage debt, it is a useful basic measure for benchmarking affordability changes over time. Further, PPG makes clear that lower-quartile house prices may be used as a benchmark for entry-level home prices.¹²
64. An entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to be in conformity with Government guidance on overcrowding, such a home would require three habitable rooms (i.e. comprise of a flat or house with one or two bedrooms). Entry-level properties can therefore also be understood as one or two-bedroom flats/houses.
65. Figure 4-1 on the following page looks at selected measures of house prices in Botley. It shows that there has been a consistently strong and steady growth in houses prices in Botley between 2009 and 2018. The median house price increased by 53.6% over the period. Lower quartile prices experienced a more gradual increase over the period, before reaching a peak in 2017.

Figure 4-1: House prices in Botley between 2009 and 2018



Source: Land Registry PPD

66. Table 4-3 overleaf breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It shows that prices for all types of houses rose significantly between 2009- 2018. In terms of individual house types, semi-detached experienced the greatest price growth over the period, followed by detached and terraced respectively. Flats experienced the lowest price growth out of any housing type. This may reflect the relatively high starting base for flats in 2009.

⁹ See Paragraph: 021 Reference ID: 2a-021-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹⁰ See Glossary in Appendix.

¹¹ See Glossary in Appendix.

¹² See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

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

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth
Detached	£277,237	£294,458	£359,016	£343,705	£339,072	£405,634	£449,324	£460,007	£473,048	£468,924	69.1%
Semi-detached	£193,500	£213,500	£207,486	£244,465	£226,881	£229,158	£259,417	£278,041	£338,321	£349,026	80.4%
Terraced	£157,861	£165,897	£163,045	£166,366	£182,116	£210,821	£206,416	£223,624	£251,050	£244,558	54.9%
Flats	£138,930	£126,341	£138,342	£154,681	£148,750	£141,904	£156,143	£176,177	£159,317	£180,324	29.8%
All Types	£200,344	£195,218	£230,291	£221,382	£238,681	£255,027	£297,175	£306,098	£361,064	£380,604	90.0%

Source: Land Registry PPD

4.5.2 Income

67. Household income and savings determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. As such, we have used average household income estimates published by ONS¹³ at the level of the Middle-layer Super Output Area (MSOA)¹⁴. In the case of Botley the MSOAs most suitable for use as a proxy for the Plan area boundary are E02004721 and E02004722 (also known as Eastleigh 010 and Eastleigh 011. Further details on the extent of this MSA, including a map, and why it was selected as a proxy for the neighbourhood plan area, are set out in Appendix A.
68. The average net annual household income before housing costs (equalised) across E02004721 and E02004722 in 2015/16 was **£37,150**, while the average total annual income was **£55,800**.¹⁵

4.6 Affordability Thresholds

69. In order to gain a clearer understanding of local affordability, it is also useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds'. Purchase Thresholds (PT) denote the standard household income needed to access mortgage products, and Income Thresholds (IT) denote the maximum share of a family's income that should be spent on accommodation costs. The PT is particularly helpful for understanding the affordability of market homes.
70. We have determined in Appendix A thresholds for: market purchase; Private Rented Sector (PRS); shared ownership (25%, 50%, and 75%); affordable rent, and estimated social rent levels across Botley. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations.
71. Table 4-4 overleaf and Figure 4-2, which presents the same information graphically, shows the annual cost of different tenures and the income required (excluding deposits saved) to support these costs within Botley.

¹³Available at

<https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016>

¹⁴ An MSA is a statistical area defined for Census purposes. For further information on MSAs, see

<https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography>

¹⁵ Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

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

Tenure	Cost of purchase	Annual rent	Income required
Entry-level market sale	£245,163	N/A	£70,046
Shared ownership (75%)	£183,872	£6,810	£59,345
Starter homes	£196,130	N/A	£56,037
Entry-level market rent	N/A	£9,509	£38,036
Shared ownership (50%)	£122,581	£13,620	£48,645
Shared ownership (25%)	£61,291	£20,430	£37,942
Affordable rent	N/A	£7,604	£30,429
Social rent - 3 bed dwelling	N/A	£6,154	£24,615
Social rent - 2 bed dwelling	N/A	£5,484	£21,938

Source: AECOM Calculations

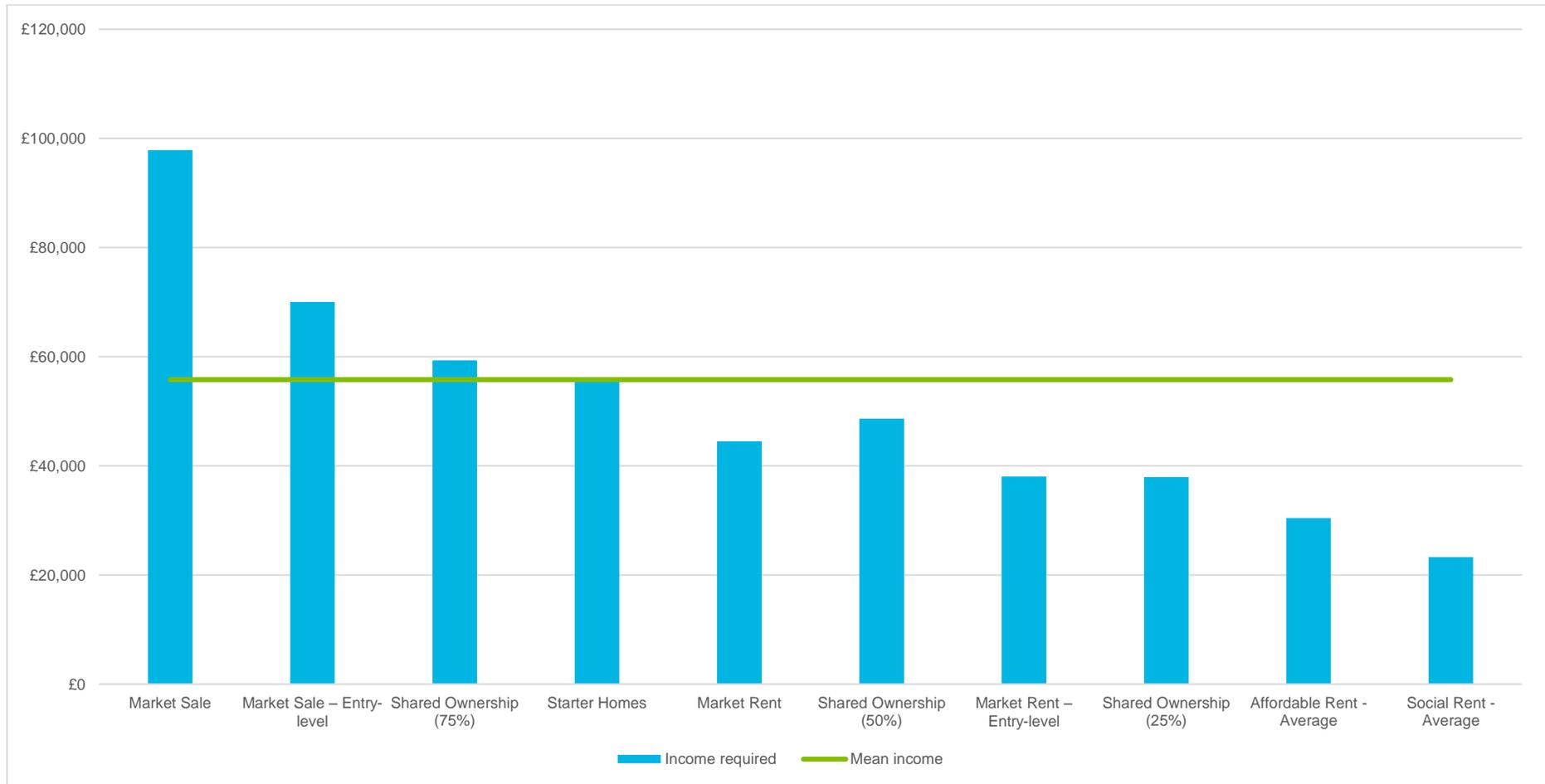
73. The income required to afford the different tenures is then benchmarked against the average total annual which is shown by the green line in Figure 4-2, and set at **£55,800** as set out above.
74. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average market home for sale (i.e. the PT) is insufficient for those on median household incomes.
75. Turning to properties aimed at people on lower quartile incomes. For shared ownership the income required to buy an average home at the 75% share level is insufficient for those on median household incomes. However, the median income is sufficient for shared ownership at both the 50% and 25% share level. The PT is insufficient for those on median household incomes. The income required for starter homes is just £237 above the average total annual income. The findings indicate that given the median annual income, even entry-level price, market homes remain out of reach for many residents. Therefore, an appropriate tenure mix in Botley should include starter homes and shared ownership Homes (50% and 25%) to support these residents in accessing routes to home ownership and therefore the opportunity to live in the Parish.
76. Finally, the inability of those on even median incomes to afford entry-level properties suggests that those on lower quartile incomes will face an even greater struggle to find accommodation. This would suggest that affordable and social rent tenures may be more suitable to support those residents on lower quartile incomes
77. Government policy aimed at tackling the housing crisis continues to focus on helping those on lower quartile incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership.¹⁶ In the case of Botley, Table 4-4 above suggests that the most appropriate tenures to help implement this policy goal locally are lower level shared ownership homes.
78. Of the 422-497 additional dwellings that Eastleigh indicate should be provided in Botley over the Neighbourhood Plan period, emerging local policy indicates that between 148-174 (35%) should be affordable. Table 4-4 above suggests that of these 148-174 dwellings, around 60% should be shared ownership (25%), 30% should be shared ownership (50%), and 10% should be starter homes.
79. The findings of this chapter on the potential for providing affordable and low-cost tenures across the Plan area align with those of the SHMA. The SHMA recognised the issue of affordability in Eastleigh and the concentration of higher-value housing in Botley. The SHMA highlighted in the case of Eastleigh, affordability is more acute in the lower end of the market
80. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development¹⁷ should be available for affordable home ownership. In terms of the tenure mix within this 10%, the analysis above suggests that in Botley, there is potential to provide lower level shared ownership homes. Starter homes and shared ownership (75%) should be avoided as they are likely to be unaffordable to those on lower quartile incomes.

¹⁶ See the White Paper 'Fixing Our Broken Housing Market', at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

¹⁷ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

81. The NPPF also specifies that exceptions to the 10% affordable home ownership requirement are permissible when such development will “significantly prejudice the ability to meet the identified affordable housing needs of specific groups”- in other words, in cases where the development of affordable home ownership dwellings would reduce the provision of other types of affordable housing such as social and affordable rented homes. Based on the findings of this chapter, there is no evidence that going beyond the 10% threshold in Botley would prejudice the provision of much needed affordable rented homes.
82. In terms of the role that the private rental sector (PRS) plays or may play in future, there is limited potential for this sector to provide accommodation for those on lower quartile incomes.

Figure 4-2: Affordability thresholds in Botley (income required, £)



Source: AECOM Calculations

4.7 Conclusions- tenure and affordability

83. Botley is characterised by a high level of home ownership in Botley compared to Eastleigh and England. Whilst home ownership is higher, the percentage of shared ownership in Botley is proportionally lower. During the intercensal period the number of households outright owning their homes, increased in Botley at a greater rate than that found in Eastleigh and England (where national trends indicate a decline in home ownership levels). The amount of shared ownership in Botley increased at a rate similar to the national level but at a significantly lower rate than the increase at the borough level.
84. It is also noted that there is a significantly lower proportion of social and private rented households in Botley when compared to averages for Eastleigh and England. Between 2001-2011, the social rented sector in Botley declined at a rate greater than the national level, contrasting the increase found at the borough level. Significantly, the rate of change in the private rented sector in Botley increased at double the rate of change at the borough level and four times the rate of change national level.
85. Houses prices experienced a strong rise in Botley between 2009 and 2018. The median house price increased by 53.6% over the period whilst lower quartile prices experienced a more gradual increase over the period. Semi-detached experienced the greatest price growth. Flats experienced the lowest price growth out of any housing type, reflecting the relatively high starting base for flats in 2009.
86. It is apparent that the income required to buy an average priced market home for sale is insufficient for those on median household incomes. The inability of those on median incomes to afford entry-level properties suggests that those on lower quartile incomes will face an even greater struggle to find accommodation. This would suggest that affordable and social rent tenures may be more suitable to support those residents on lower quartile incomes. These findings align with those of the SHMA which recognised the issue of affordability in Eastleigh and the concentration of higher-value housing in Botley. The SHMA highlighted in the case of Eastleigh, affordability is more acute in the lower end of the market.
87. It is therefore evident that household affordability is an issue in the NA, even those earning median incomes unable to afford many of the intermediate tenures. A strong focus should therefore be placed on delivering more affordable housing, to enable all potential residents to access housing in Botley.
88. Our findings suggest there is may be a demand for a much wider mix of tenures to meet the community's housing needs, it is recommended there should be a specific focus on providing (1) social rent and affordable rent; and (2) shared ownership housing options. Although it will also be necessary to explore starter home options as an affordable path to home ownership, this tenure may still be out of reach to those on the lowest incomes in the NA.

5. RQ 2: Type and Size

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

5.1 Introduction

89. The Botley Neighbourhood Plan will need to include policies informed by robust data on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people at all stages of life the options they require, while keeping the market operating efficiently.
90. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Botley. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type will be determined by the way different household types currently occupy their dwellings in the LPA, and then applying to that baseline assessment demographic projections of how the Plan area population is likely to change by the end of the Neighbourhood Plan period.

5.2 Existing types and sizes

5.2.1 Background and definitions

91. Before beginning our consideration of dwelling type and size, it is important to understand how different types of households occupy their homes. Crucially, and unsurprisingly, household 'consumption' of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth, income, and age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability.
92. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and thus would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture than demographics, household type and size would suggest for future years.
93. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' should thus be translated as follows¹⁸:
 - 1 room = bedsit
 - 2 rooms = flat/house with one bedroom and a reception room/kitchen
 - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
 - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
 - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
 - 6 rooms = house with 2 bedrooms and 2 reception rooms and a kitchen, or 3 bedrooms and one reception room and a kitchen
 - 7+ rooms = house with 3, 4 or more bedrooms
94. It is also useful to clarify the Census terminology around dwellings and households spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained.¹⁹ As such, all dwellings are classified into either "shared" or "unshared" dwellings. Household spaces make up the individual accommodation units forming part of a shared

¹⁸ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

¹⁹ At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

dwelling.

95. The key measure of whether a dwelling is shared or unshared relates to the Census' definition of a household. A household is defined as "One person living alone or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area."²⁰ On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

5.2.2 Dwelling type

96. The 2011 Census shows that there were 2199 households in Botley, living in 741 detached houses, 634 semi-detached, 560 terraced houses, and 257 flats. Compared with Eastleigh, Botley is characterised by greater proportion of 'whole houses', including semi-detached properties and a significantly greater proportion of terraced properties. The proportion of detached properties in Botley is similar to level found in Eastleigh. Contrasting this, the proportion of flats in Botley is significantly lower than that found in Eastleigh (see Table 5-1 below).

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

Dwelling type		Botley	Eastleigh	England
Whole house or bungalow	Detached	33.7%	33.5%	22.4%
	Semi-detached	28.8%	27.5%	31.2%
	Terraced	25.5%	22.1%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	10.6%	13.9%	16.4%
	Parts of a converted or shared house	0.4%	1.5%	3.8%
	In commercial building	0.6%	0.8%	1.0%

Source: ONS 2011, AECOM Calculations

5.2.3 Specific housing types

97. The neighbourhood group considers that bungalows can play an important role in meeting the current and future needs of older people and people with accessibility needs.
98. As the ONS Census data does not capture bungalows as a distinct type, we have used Valuation Office Agency data to investigate their presence in Botley. The result is presented overleaf in Table 5 2. The data shows that Botley has a significantly higher proportion of bungalows compared to Eastleigh. The most prevalent size in Botley is two-bedroom bungalows. The proportion of bungalows in Botley with more than four bedrooms is almost double that found in Eastleigh. Botley has no one-bedroom bungalows, compared to Eastleigh where this size accounts for 3.5% of all bungalows.
99. The data suggests that Botley has an adequate number of bungalows when compared to the borough level. However, there may be an overabundance of larger bungalows in Botley which may not be best suited to meet the needs of older people who wish to downsize. Likewise, the absence of one-bedroom bungalows suggests there may be a need for much smaller bungalows to meet the needs of those living alone.

²⁰ Ibid.

Table 5-2: Number of bungalows by property size, 2018

	Botley (numbers)	Botley (%)	Eastleigh (numbers)	Eastleigh (%)
1 bedroom	0	0%	220	3.5%
2 bedrooms	290	59.2%	3,120	49.1%
3 bedrooms	140	28.6%	2,480	39.1%
4 bedrooms +	60	12.2%	500	7.9%
Unknown	0	0%	30	0.5%
Total	490	20.9%	6,350	11.4%
Total properties	2350	100%	55,560	100%

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

5.2.4 Dwelling size

100. Table 5-3 below sets out the distribution of the number of rooms by household space. The housing stock in Botley is characterised by large properties with the majority of dwellings (70.5%) having five rooms or more. This proportion of large properties is comparable to that found at the borough level where 71.5% of properties have 5 rooms or more. Considering very large dwellings (more than 7 rooms), the Table 5-3 below shows Botley has a higher share of these type of properties compared to the borough level. Botley has a smaller share of smaller dwellings (1-3 rooms) compared to Eastleigh. These smaller sized dwellings could be considered to be entry-level homes²¹. This trend is reversed for four-room dwellings, where Botley has a higher proportion (21.4%) compared to the borough level. Four room dwellings have the greatest share of any other sized dwelling in Botley.

Table 5-3: Number of rooms per household in Botley, 2011

Number of Rooms	2011	2011
	Botley	Eastleigh
1 Room	0.1%	0.3%
2 Rooms	0.5%	1.9%
3 Rooms	7.5%	8.0%
4 Rooms	21.4%	18.3%
5 Rooms	20.5%	22.8%
6 Rooms	19.3%	21.2%
7 Rooms	13.5%	12.1%
8 Rooms or more	8.1%	7.9%
9 Rooms or more	9.1%	7.5%

Source: ONS 2011, AECOM Calculations

101. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses (see Table 5-4 overleaf). Three and four-room dwellings experienced the greatest growth since 2001, at a rate significantly higher than the increase experienced at the borough and national levels. The very high growth in four-room dwellings specifically corresponds with the finding that four-bedroom dwellings have the greatest share of any other sized dwelling in Botley. The number of one room dwellings in Botley decreased at a rate significantly higher than the rate experienced at the borough and national levels. The number of two-room dwellings in Botley also fell, contrasting the growth experienced at the borough and national levels. All other sizes of dwellings (5-8 rooms) also increased markedly in Botley over the census period, once again these rates of change were significantly higher than these at the borough and national levels.

²¹ Homes that are suitable for first-time buyers, sometimes also defined as lower quartile property price.

Table 5-4: Rates of change in number of rooms per household in Botley, 2001-2011

Number of Rooms	Botley	Eastleigh	England
1 Room	-50.0%	-23.8%	-5.2%
2 Rooms	-15.4%	13.4%	24.2%
3 Rooms	90.6%	27.7%	20.4%
4 Rooms	116.4%	13.9%	3.5%
5 Rooms	58.4%	-6.1%	-1.8%
6 Rooms	51.3%	7.6%	2.1%
7 Rooms	68.2%	21.8%	17.9%
8 Rooms or more	43.8%	31.0%	29.8%

Source: ONS 2001-2011, AECOM Calculations

102. Returning to the most recent Census data, it is also useful to compare the figures for number of rooms with figures for of the number of bedrooms for each household. Table 5-5 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows a slight difference between the neighbourhood and borough levels within the two-bedroom category and 3.3% more two-bedroom dwellings compared to Eastleigh. In the three bed-room category, Botley has 2.7% less dwellings than the borough level. Likewise, Botley has 1.0% less one-bedroom dwellings. These differences are minor and in all categories the proportions are comparable at the neighbourhood and borough levels.

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

Bedrooms	Botley		Eastleigh		England	
All categories: no. of bedrooms	2,156	100.0%	52,177	100.0%	22,063,368	100.0%
No bedrooms	1	0.0%	75	0.1%	54,938	0.2%
1 bedroom	174	8.1%	4,717	9.0%	2,593,893	11.8%
2 bedrooms	624	28.9%	13,371	25.6%	6,145,083	27.9%
3 bedrooms	853	39.6%	22,037	42.2%	9,088,213	41.2%
4 bedrooms	405	18.8%	9,722	18.6%	3,166,531	14.4%
5 or more bedrooms	99	4.6%	2,255	4.3%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

5.3 SHMA findings

103. The SHMA considers the sizes of accommodation estimated to be needed in both affordable and market sectors for a number of areas with the PUSH area. Table 5.6 and Table 5.7 show the estimated need in Eastleigh compared to the Push Area.
104. Table 5.6 below suggests that Eastleigh has a greater need for larger market sector homes (3-4 bedrooms) compared to the PUSH Area. Whereas, Table 5.7 overleaf suggests there is a greater need for affordable medium sized homes when compared to the wider area.

Table 5.6 Estimated Dwelling Requirement by number of Bedrooms (2011 to 2036) – Market Sector

Sub-area	1 Bedroom	2 Bedrooms	3 Bedrooms	4+ Bedrooms
Eastleigh	7.7%	30.5%	45.5%	16.3%
PUSH	10.2%	32.8%	44.5%	12.5%

Source: SHMA, Housing Market Model

Table 5.7 Estimated Dwelling Requirement by number of Bedrooms (2011 to 2036) – Affordable Sector

Sub-area	1 Bedroom	2 Bedrooms	3 Bedrooms	4+ Bedrooms
Eastleigh	33.0%	43.0%	22.1%	1.9%
PUSH	43.8%	33.9%	19.8%	2.5%

Source: SHMA, Housing Market Model

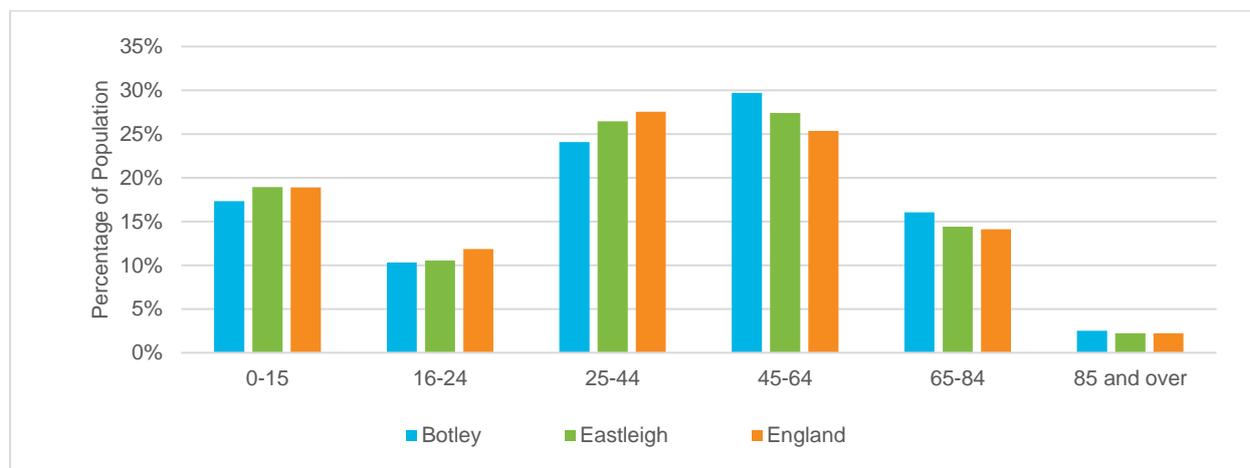
5.4 Household composition and age structure

105. We have now established the current stock profile of Botley and identified recent changes in its composition. The evidence assembled below examines the composition and age structure of households both in the 2011 Census and in future years. Through a consideration of the types of households projected to occur over the Neighbourhood Plan period, and the mix of age groups suggested by demographic projections, it becomes possible to consider the type and size of housing needed in the Plan area by the end of the planning period.

5.4.1 Age structure

106. The 2011 Census data reveals that that the age band 45-64 is the largest single group, which is in line with borough trends but contrasting with England, where the age band 25-44 is the largest single group. The data also suggests Botley has an older population when compared to national and local levels. Botley has greater proportions in the 45-65, 65-84 and 85 and over age bands and lower proportions in the remaining younger age bands (see Figure 5-1 below).

Figure 5-1: Age structure in Botley, 2011



Source: ONS 2011, AECOM Calculations

107. In terms of the changing age structure of the Plan area population, Census data shows that since 2001 Botley's population has experienced growth in all age groups, contrasting the trends at a borough level which experienced a decline in the 0-15 and 25-44 age groups. The rate of change in all age groups in Botley has been significantly higher than the levels for each age group at both borough and national levels. Botley has experienced the largest rate of growth in the proportion of residents aged 16-24, at a growth rate that is over five times that experienced at the level (see Table 5-8 overleaf).

Table 5-8: Rate of change in the age structure of Botley population, 2001-2011

Age group	Botley	Eastleigh	England
0-15	31.1%	-2.9%	1.2%
16-24	88.8%	15.9%	17.2%
25-44	53.6%	-3.7%	1.4%
45-64	72.8%	19.3%	15.2%
65-84	59.4%	19.1%	9.1%
85 and over	66.2%	36.8%	23.7%

Source: ONS 2001-2011, AECOM Calculations

5.4.2 Household composition

108. Household composition is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
109. In assessing Census data on household composition, we see that Botley differs from the LPA in that there is less one person households. However when we look at one-person households aged 65 and over we see there is a greater proportion of these households in Botley compared to Eastleigh (Table 5-9). This echoes the earlier finding that the NA has a slightly higher proportion of older people. Looking at one family households, we can see the proportion of those aged 65 and over is once again greater in Botley compared to the borough level. The proportion of households with no children is also higher in Botley.

Table 5-9: Household composition (by household), Botley, 2011

Household composition		Botley	Eastleigh	England
One person household	Total	25.6%	26.7%	30.2%
	Aged 65 and over	13.0%	11.9%	12.4%
	Other	12.5%	14.8%	17.9%
One family only	Total	69.0%	67.5%	61.8%
	All aged 65 and over	10.1%	9.1%	8.1%
	With no children	22.3%	20.5%	17.6%
	With dependent children	26.8%	28.2%	26.5%
	All children Non-Dependent	9.8%	9.7%	9.6%
Other household types	Total	5.5%	5.8%	8.0%

Source: ONS 2011, AECOM Calculations

110. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001 and 2011, the number of one person households in Botley increased significantly compared to the borough level (see Table 5-10 overleaf). The proportion of those aged 65 and over in living in both household types both also increased at a greater rate than the borough level. The most significant change over the census period has been the increase in the number of households with no children. The number of households with no children more than doubled. That said, the number of households with dependent children also experienced a significant increase, albeit at a lesser rate.

Table 5-10: Rates of change in household composition, Botley, 2001-2011

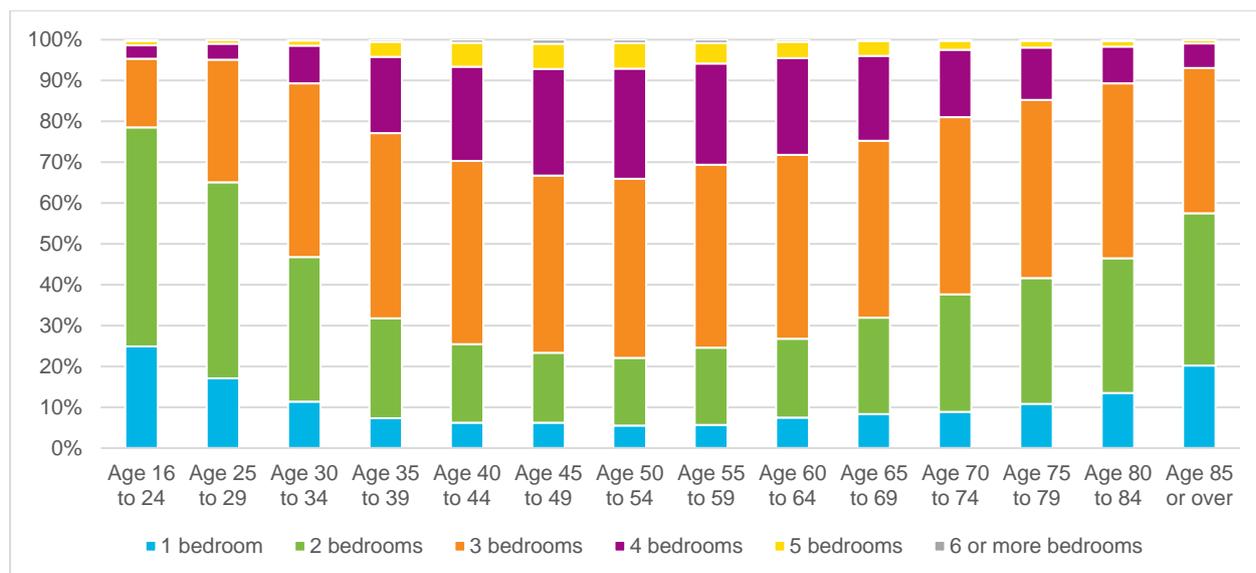
Household type		Percentage change, 2001-2011		
		Botley	Eastleigh	England
Oneperson household	Total	56.5%	16.3%	8.4%
	Aged 65 and over	31.9%	3.4%	-7.3%
	Other	94.2%	29.1%	22.7%
One family only	Total	68.4%	7.6%	5.4%
	All aged 65 and over	49.7%	6.3%	-2.0%
	With no children	107.8%	12.0%	7.1%
	With dependent children	52.9%	3.7%	5.0%
	All children non-dependent	64.3%	11.7%	10.6%
Other household types	Total	73.5%	32.6%	28.9%

Source: ONS 2001-2011, AECOM Calculations

5.5 Dwelling mix determined by life-stage modelling

111. Recognising the fact that households of different ages have different housing needs, to estimate the housing mix needed by the end of the Plan period we adopt an approach based on the reasonable assumption that current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in single person households aged over 65 will lead to an increase in the need for the type of housing currently occupied by single person households of that age.
112. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LPA-level data needs to be used as the closest proxy.
113. Figure 5-2 overleaf sets out the relationship in the 2011 Census at LPA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period (red in Table 5-11). The data shows that smaller one and two bedroom properties are more popular amongst households where the HRP is between 16 and 29. Larger properties get more popular than smaller properties as we move into the 30 and beyond age group. In households where the HRP is aged 55 and over, smaller one and two bedroom properties become progressively more popular, with age although there is still a significantly high level of households in this age group occupying larger properties of three bedrooms or more. It's only when we get to the 85 and over age group where the proportion of those living in smaller one and two bedroom properties is greater than those living in larger properties. This may indicate a lack of opportunity and/or reluctance to downsize.

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



Source: ONS 2011, AECOM Calculations

114. We then use household projections provided by MHCLG to achieve an understanding of the future distribution of households by the age of the HRP. Again, this data is only available at the LPA level and for the years 2014 and 2039. Therefore, we have estimated what the distribution of households by the age of the HRP would be in 2036, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 5-11 below.

Table 5-11: Projected distribution of households by age of HRP, Eastleigh

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	1,346	6,727	21,093	9,452	13,559
2014	1,000	7,000	21,000	9,000	15,000
2036	1,880	7,000	22,760	9,880	22,920
2039	2,000	7,000	23,000	10,000	24,000

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

115. At this point, it is then necessary to extrapolate from this LPA-level data an estimate of the corresponding change in the age structure of the population in Botley. To do so, the percentage of increase expected for each group across Eastleigh, derived from the data presented above was mapped to the population of Botley. The results of this calculation are detailed in Table 5-12 below:

Table 5-12: Projected distribution of households by age of HRP, Botley

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	48	226	813	453	616
2014	36	235	809	431	681
2036	67	235	877	473	1,043

Source: AECOM Calculations

116. Then, based on the two stages above, in Table 5-13 overleaf, it is possible to set out the projected distribution of dwellings of different size at LPA level by the end of the Plan period based on the age of the HRP. This results in a modelled estimate of the proportion of dwelling sizes that will be occupied by each age band across Eastleigh in 2036.

Table 5-13: Age of household reference person to size, grouped, Eastleigh

Size	Age of HRP 16 to 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	24.9%	13.8%	6.3%	6.6%	11.7%
2 bedrooms	53.6%	40.7%	19.2%	19.1%	29.9%
3 bedrooms	16.8%	37.2%	44.3%	44.9%	42.1%
4 bedrooms	3.3%	7.0%	23.9%	24.2%	13.9%
5+ bedrooms	1.4%	1.3%	6.4%	5.2%	2.4%

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

117. Finally, having established the preference shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in Eastleigh and Botley falling into each of these stages by the end of the Plan period in 2036, it is now possible to recommend how the housing stock should evolve in terms of size over the Neighbourhood Plan period to overcome existing or future misalignments between supply of dwellings and demand (see Table 5-14 below).

Table 5-14: Ideal dwelling size distribution in Botley by the end of the Plan period, based on modelled household life-stages

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Pop. 2,694	67	235	877	473	1,043	-
1 bedroom	17	32	55	31	122	257
2 bedrooms	36	96	168	90	312	702
3 bedrooms	11	88	389	213	439	1,140
4 bedrooms	2	16	209	115	145	487
5+ bedrooms	1	3	56	24	25	109

Source: Census 2011, AECOM Calculations

118. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 5-14 above modelling the change in the age structure of the population in Botley.
119. Table 5-15 below indicates that, by 2036, the size distribution of dwellings should focus less on the smaller and larger ends of the size spectrum, with greater focus on dwellings of 2 and 3 bedrooms.

Table 5-15: 2011 housing sizes compared to ideal distribution at end of Plan period, Botley

Number of bedrooms	2011		2036	
1 bedroom	174	8.1%	257	9.5%
2 bedrooms	624	28.9%	702	26.1%
3 bedrooms	853	39.6%	1,139	42.3%
4 bedrooms	405	18.8%	487	18.1%
5 or more bedrooms	99	4.6%	109	4.0%
Total households	2,155	100.0%	2,694	100.0%

Source: Census 2011, AECOM Calculations

120. Table 5-16 below sets out the estimated misalignment between future demand for housing, based on the modelled preferences of households at different life-stages, and the current stock available in the Plan area.

Table 5-16: Future potential misalignments of supply and demand for housing, Botley

Number of bedrooms	2011	2036	Change to housing mix	Recommended split
1 bedroom	174	257	83	15.4%
2 bedrooms	624	702	78	14.5%
3 bedrooms	853	1,139	286	53.0%
4 bedrooms	405	487	82	15.3%
5 or more bedrooms	99	109	10	1.8%

Source: AECOM Calculations

121. The interim result of the life-stage modelling exercise, therefore, is that to minimise misalignments between supply and demand, 15.4% of dwellings in new developments should have 1 bedroom, 14.5% should have two bedrooms, 53% should have three bedrooms, 15.3% should have four bedrooms and 1.8% should be of 5 or more bedrooms.

5.6 Conclusions- type and size

122. Botley is characterised by larger properties with the majority of dwellings having five rooms or more, this reflects the housing distribution of the borough as a whole. When considering very large dwellings (more than 7 rooms), Botley is shown to have a higher share of these type of properties compared to the borough level. Botley has a lower proportion of smaller sized 'entry-level homes' (dwellings of 1-3 rooms) compared to Eastleigh.
123. Botley has a significantly greater proportion of terraced properties and a lower proportion of flats in compared to Eastleigh. The greater proportion of terraced properties may reflect the older nature of properties in Botley as terraced properties were more common in the past.
124. The data suggests that Botley has an adequate number of bungalows when compared to the borough level, although there appears to be an overabundance of larger bungalows and a shortage of smaller one-bedroom bungalows. Reflecting this, the number of one room dwellings in Botley decreased over the census period at a rate significantly higher than the rate experienced at the borough and national levels. The number of two room dwellings however, fell, contrasting the growth experienced at the borough and national levels. All other sized dwelling increased in Botley over the census period, again these rates of change were significantly higher than the borough and national levels.
125. Botley has a relatively older population when compared to national and local levels. The single largest age group in Botley is 45-64, which is in line with borough trends but contrasts the national figures that show the 25-44 bracket as the largest single group. Compared to the borough levels, Botley has greater proportions in the 45-65, 65-84 and 85 and over age bands and lower proportions in the remaining younger age bands. In terms of the changing age structure, Census data shows that Botley's population has experienced growth in all age groups. The rate of change in all age groups in Botley has been significantly higher than the levels for each age group at both borough and National levels. Botley has experienced the largest rate of growth in the proportion of residents aged 16-24, at a growth rate that is over five times that experienced at the borough level. Whilst the population of Botley is relatively older the growth in younger age groups suggests there may be a need to provide for younger families.
126. Overall, Botley has less one-person households compared to the borough. However, the proportion of one-person households aged 65 and over is greater in Botley compared to Eastleigh. Looking at one family households, the proportion of those aged 65 and over is once again greater in Botley, the proportion of households with no children is also higher. These findings reflect the higher proportion of older people in Botley.
127. Between 2001 and 2011, the number of one person households in Botley increased significantly compared to the borough level. The proportion of those aged 65 also increased at a greater rate than the borough level. The number of households with no children more than doubled. That said, the number of households with dependent children also experienced a significant increase, albeit at a lesser rate. This reflects the earlier finding that whilst the population is comparatively older there has been a growth in younger age groups.

128. One and two bedroom properties are more popular amongst households in Botley where the HRP is between 16 and 29. Larger properties become popular as we move into the 30 and beyond age group. One and two bedroom properties become more popular again for those aged 55 and over, although there is still a significantly high level in this age group occupying larger properties. It's only when we get to the 85 and over age group where the proportion of those living in smaller one and two bedroom properties is greater than those living in larger properties. This may indicate a lack of opportunity and/or reluctance to downsize.
129. Whilst the demand for three-bedroom homes will remain significant, it is important to acknowledge that building slightly more 1 or 2 bedrooms will cater for the growing older population and allow older households to downsize (which will make larger family housing available for those in need). Moreover, it will also allow younger households to form, stay in the area, or relocate.
130. The overall conclusion is that to satisfy the requirements of increasingly smaller and older households, but also to enable younger households to remain in the area, it is recommended that around 53% of houses in new developments should be three-bedroom homes, around 14.5% should be two-bedroom homes and around 15.4% should be one-bed homes.

6. RQ 3: Specialist housing for the elderly

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

6.1 Introduction

131. This chapter considers in detail the specialist housing needs for the elderly population in Botley. It considers the quantity, tenure and size of dwellings to plan for.
132. Specialist housing for the elderly is appropriate to consider for the population aged 75+. The needs of this sector of the population are assessed through two methods. The first is a tenure-led projection, based on the tenure of dwellings typically occupied by people in this age group. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network's (HLIN) Strategic Housing for Older People (SHOP) tool²², which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

6.2 Housing for older people- context

133. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both market housing and more specialist accommodation. Two main types of specialist accommodation for older people include sheltered housing and extra care housing (see Appendix B for definitions).
134. Between 1974 and 2015, the population aged 65 and over in England grew 47% and the population aged 75 and over grew by 89%.²³ A Demos survey of over 60s conducted in 2013 found a "considerable appetite" amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.²⁴
135. Indeed, 76% of those in homes of three or more bedrooms wished to downsize, and this increased to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.²⁵ However, in spite of evidence of high demand, currently only 5% of elderly people's housing is made up of specialist homes,²⁶ with Demos suggesting that "the chronic under-supply of appropriate housing for older people is the UK's next housing crisis",²⁷ and local authorities often "accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs".²⁸ Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately does is likely to be relatively low, and many who downsize may move into general needs housing, for example market sale bungalows.
136. In 2014, there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.²⁹ This situation reflects the significant constraints on the delivery of such housing in the market sector, as well as the improved health of older people today in comparison with previous generations.
137. Given that the vast majority of people over 75 live in their own homes, but that the current stock is primarily for social rent, AECOM has developed a 'tenure-led' approach to calculating the need for specialist housing, which also takes into account the health and mobility of population of the Neighbourhood Plan area so as to develop projections for future need for specialist housing provided with some level of care or other services.

²² Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

²³ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

²⁴ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

²⁵ Ibid.

²⁶ https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

²⁷ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

²⁸ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

²⁹ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf

6.3 Approach

138. This chapter applies a three stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of elderly people in the Neighbourhood Plan area, and Census data relating to mobility limitations and overall health. These are then compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across Eastleigh.
139. Clearly, this calculation represents an assumption, with the actual decision for an elderly person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of elderly people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of elderly people currently choose to continue to live in their homes into their old age.
140. The charity Age UK suggests that “inaccessible housing should not force anyone out of their home or local community against their wishes. It’s much better to have ‘pull factors’ that attract older people towards housing alternatives.”³⁰ By understanding the tenure breakdown of specialist housing need, we are able to better understand the extent to which demand will be a factor in this market segment.

6.3.1 Current supply of specialist housing for older people

141. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. There are a number of ways to do this. Data may be available within Eastleigh’s housing evidence base. Alternatively, data may be collated manually on the amount of specialist housing within a given area using the search function on the Elderly Accommodation Councils Website: <http://www.housingcare.org>.
142. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.³¹ This is because for the purposes of the UK planning system, such institutions occupy a different land-use class from other housing (use class C2, which comprises residential institutions, versus C3, which comprises private dwellings)³². However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this Housing Needs Assessment. Having said this, we will note the existing provision of such institutional accommodation where it exists in Botley.
143. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Botley, it identified 35 residents living in such accommodation, in care homes without nursing.³³
144. There are 4 specialist accommodation establishments in Botley, as detailed in Table 6-1 overleaf. Given that communal establishments are generally outside the scope of housing needs assessments for the reasons described above, we need to discount those care homes from our analysis. This gives a total of **167** specialist dwellings (or bed spaces), for a 2011 population aged 75+ of **443**. This suggests the actual rate of provision in Botley is close to **380** dwellings per 1000 population aged 75+.

³⁰ See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

³¹ Further details on the definition of different types of housing within the English planning system are available at <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

³² See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

³³ ONS, 2011 (KS405EW)

Table 6-1: Existing specialist housing for the elderly in Botley

Name	Description	Bed spaces	Tenure	Type
1	Amberley Close Residents accepted from 60 years of age. 40no. two-bedroom units	80	Rent (social landlord)	Age exclusive housing
2	Hamblewood Court Residents accepted from 55 years of age 2no two-bedroom bungalows 6no one-bedroom flats 24no two-bedroom flats	58	Leasehold	Retirement Housing
3	Hollybank Rest Home Conditions cared for: Older people generally / People with physical difficulties / People with dementia Care period: Longer stay / Short stay and 11no. single bedrooms 3no. shared bedrooms (2 en suite).	17	N/A	Care Home
4	Pudbrook House Retirement housing with visiting management staff (daily housing support visits) 23no. one-bedroom apartments 3no. two-bedroom apartments	29	Rent (social landlord)	Retirement housing

Source: <http://www.housingcare.org>

6.3.2 Tenure-led projections

- 145. Turning now to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Eastleigh, as this is the smallest geography for which tenure by age bracket data is available. We take this age cohort-based approach because it is these households which, over the next 20 years, will be reaching the age of 75+, which is considered the typical threshold age for specialist housing provision. We will then use the existing tenure split within this cohort to project forward the need for specialist housing according to different tenure.
- 146. The projection is based on the premise that those currently occupying their own home will also wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented accommodation of some kind.
- 147. According to Table 6-2 below, the majority of those in the 55-75 age bracket in Eastleigh own their house, with over half the group owning their property outright. Renting is significantly less popular amongst this age bracket. Social renting is the most frequent tenure type amongst renters.

Table 6-2: Tenure of households aged 55-75 in Eastleigh, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
84.6%	58.5%	26.1%	15.4%	9.9%	4.8%	0.6%

Source: Census 2011

- 148. The next step is to project how the overall number of older people in Botley is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Eastleigh at the end of the Plan period. The figure must be extrapolated from the LPA data because such projections are not available at neighbourhood level. The results are set out in Table 6-3 overleaf.
- 149. This calculation indicates the number of people in Botley within the 75+ age group will nearly double over the plan period, at a rate slightly higher than that expected at the borough level. This aligns with the notable ageing of the population described throughout this study.

Table 6-3: Modelled projection of elderly population in Botley by end of Plan period

Age group	2011		2036	
	Botley	Eastleigh	Botley	Eastleigh
All ages	5,083	125,199	5,787	142,546
75+	443	9,900	866	19,345
%	8.7%	7.9%	15.0%	13.6%

Source: ONS SNPP 2016, AECOM Calculations

150. The results of this exercise provide us with a projection of the number of people in Botley living in each tenure in the 55-75 cohort by 2011, as shown in the Table 6-4 below. This projection is calculated by multiplying the projected number of people aged 75 and over by the end of the Plan period by the tenure split for Eastleigh presented in Table 6-2, and is set out in Table 6-4 below, which shows there will be a total of 866 households aged 75+ in Botley by the end of the Plan period.
151. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2036, and consequently the number of specialist units to be provided, the growth in the overall population of those aged 75 and over may be used.
152. This is justified on the basis that the proportion of people over the age of 75 living alone on account of, for example, the death of a partner, is higher than the average for the population as a whole.

Table 6-4: Projected tenure by population aged 75+ in Botley by the end of the Plan period

Owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living free rent
732	506	226	134	86	42	6

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

153. The population figures in Table 6-4 above now need to be translated into households, as set out in below. The translation factor used was 1.38 persons per household, which was the rate in Eastleigh for people aged over 75 in the Census 2011. Table 6-5 below shows the overall projected household number for Botley at 626 by the end of the plan period.

Table 6-5: Projected tenure by household aged 75+ in Botley to the end of the Plan period

Owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living free rent
530	366	164	96	62	30	4

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

154. Next, we consider the incidence of mobility limitations, as defined by the Census, within each tenure group for those aged 65+ in Botley. This allows us to link the levels of need (as defined by extent of mobility limitations within the population) to tenure (based on the premise that such needs can be used as a proxy for the need for specialist housing in this age group).
155. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives.

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

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot	Day-to-day activities limited a little	Day-to-day activities not limited			
All categories: Tenure	924	203	22.0%	235	25.4%	486	52.6%
Owned or shared ownership: Total	769	142	18.5%	197	25.6%	430	55.9%
Owned: Owned outright	669	123	18.4%	163	24.4%	383	57.2%
Owned: Owned with a mortgage or loan or shared ownership	100	19	19.0%	34	34.0%	47	47.0%
Rented or living rent free: Total	155	61	39.4%	38	24.5%	56	36.1%
Rented: Social rented	140	57	40.7%	36	25.7%	47	33.6%
Rented: Private rented or living rent free	15	4	26.7%	2	13.3%	9	60.0%

Source: DC3408EW Health status

156. If we focus on those whose activities are limited a lot, the calculations suggest that of the 61 renters and 203 owners in Botley in this age group, there could be a need for 98 specialist homes for owner occupiers (18.5% x 530) and 38 for renters of all kinds (39.4% x 96), or 136 new specialist homes in total.
157. These findings are set out in Table 6-7 below, based on the assumption that those whose day-to-day activities are limited a lot will need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services.

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

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	136
	38	98	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	160
	24	136	
Total	62	234	296

Source: Census 2011, AECOM Calculations

158. The number of households falling into potential need for specialist accommodation is therefore 296, which is 47% of the 626 households in total aged 75 and above projected to live in Botley by the end of the Plan period.

6.3.3 Housing LIN-recommended provision

159. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), an authority on how to plan for the housing needs of the elderly. In Table 6-8 below we reproduce the key data from their Strategic Housing for Older People (SHOP) toolkit. Table 6-8 serves as a guide, based on best practice research, to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

Table 6-8: Recommended provision of specialist housing for older people from the SHOP toolkit

FORM OF PROVISION	ESTIMATE OF DEMAND PER THOUSAND OF THE RELEVANT 75+ POPULATION
Conventional sheltered housing to rent	60
Leasehold sheltered housing	120
Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) ²⁶	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: Housing LIN SHOP Toolkit

160. As we have seen in Table 6-3, Botley is forecast to have an over-75 population of 866 by the end of the Plan period, an estimated increase of 423 people from the 2011 Census. According to the HLIN recommendations, and assuming that a range of suitable accommodation was already available in 2011, this should mean there will be an additional need as follows:

- Conventional sheltered housing to rent = $60 \times (423/1000) = 25$
- Leasehold sheltered housing = $120 \times (423/1000) = 51$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times (423/1000) = 8$
- Extra care housing for rent = $15 \times (423/1000) = 6$
- Extra care housing for sale = $30 \times (423/1000) = 13$
- Housing based provision for dementia = $6 \times (423/1000) = 3$

161. This produces an overall total of 106 specialist dwellings. Table 6-9 below sets out the HLIN recommendations in the same format as Table 6-7 above.

Table 6-9: HLIN estimate of specialist housing need in Botley by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	30
	13	17	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	76
	25	51	
Total	38	68	106

Source: Housing LIN, AECOM calculations

6.4 Conclusions- specialist housing for the elderly

162. In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose needs are relatively limited in Table 6-7 (220) with 'sheltered housing' in Table 6-9 (76), even though both types of housing address the needs of those with relatively lesser disability. This is because there is a range of housing suitable for this group of the population, whereas the HLIN identifies only sheltered housing specifically.
163. A more accurate result, therefore, can be achieved by comparing the 136 dwellings identified in the tenure-led approach for those who require housing with care with the 106 specialist dwellings that emerge from the HLIN calculations. By contrast, the 160 dwelling figure in the tenure-led projections is based on those whose day-to-day needs are limited only a little, and whose housing needs therefore have the potential to be provided through adaptations to a conventional home.
164. For this reason, our recommendation would be to treat these targets as a range, with at least 106 specialist dwellings being required to service the needs of elderly people over the Plan period, and the projection of 296 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.
165. As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to ensure both the upper and the lower estimates are net rather than gross figures by deducting the current supply of specialist housing for older people in Botley and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.
166. Recall that there are 167 existing units of specialist housing for older people in Botley, for a 2011 population of 443 people aged 75. This suggests the actual rate of provision in Botley is approximately 380 dwellings per 1000 population aged 75+. Referring to the minimum target produced by the Housing LIN-based calculation, this means there are an additional (i.e. net) 274 specialist units (380 – 106) that need to be provided over the Plan period.
167. In addition, given that specialist housing for the elderly costs more to build, it is considered that to assume 35% of all specialist housing for the elderly should comprise AH tenures is reasonable and realistic, midway between the tenure-led and Housing LIN projections. This midpoint target should be monitored for viability as it is implemented, with neighbourhood planners seeking a higher proportion where appropriate.
168. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for the elderly to be provided in sustainable, accessible locations, for a number of reasons, as follows:
 - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
169. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
170. It is considered that Botley's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. Every effort should be made to bring forward specialist housing within Botley, but that if suitable sites or developers are not forthcoming, Botley's need could also be addressed through a hub and spoke model. In the case of Botley, Hedge End is considered to have potential to accommodate the specialist housing need arising from the neighbourhood plan area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the neighbourhood plan area itself would not overlap.
171. Wherever the specialist housing need is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for elderly people who wish to leave their family homes in their old age.

7. Conclusions

7.1 Overview

172. Table 7-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan Housing Needs Assessment, based on the evidence reviewed and analysed.

Table 7-1: Summary of study findings specific to Botley with a potential impact on Neighbourhood Plan housing policies

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	AECOM Calculations, Census 2001 and 2011, SHMA, Land Registry PPD.	<p>Botley is characterised by a high level of home ownership and a lower proportion of rental tenures.</p> <p>The median house price has increased by 53.6%, whilst lower quartile prices experienced a more gradual increase over the period.</p> <p>The income required to buy an average market home for sale is insufficient for those on median household incomes. This would suggest that those on lower quartile incomes will face an even greater struggle to find accommodation.</p> <p>These findings align with those of the SHMA which recognised the issue of affordability in Eastleigh (particularly in the lower end of the market) and the concentration of higher-value housing in Botley.</p>	<p>A strong focus should be placed on delivering more affordable housing, to enable all potential residents to access housing in Botley.</p> <p>It is recommended there should be a specific focus on providing (1) social rent and affordable rent; and (2) shared ownership housing options. Also necessary to explore starter home options as an affordable path to home ownership, however, this tenure may still be out of reach to those on the lowest incomes.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing type and size	<p>AECOM Calculations, ONS 2001-2011, ONS 2011, Valuation Office Agency, SHMA, Housing Market Model, MHCLG 2014-based household projections.</p>	<p>Botley is characterised by larger properties, with a lower proportion of smaller sized 'entry-level homes' (dwellings of 1-3 rooms).</p> <p>Botley has an adequate number of bungalows when compared to the borough level, although there appears to be an overabundance of larger bungalows and a shortage of smaller one-bedroom bungalows.</p> <p>The number of one and two bedroom dwellings in Botley fell, contrasting the growth experienced at the borough and national levels. All other sized dwelling increased in Botley over the census period.</p> <p>Compared to the borough levels, Botley has greater proportions in the 45-65, 65-84 and 85 and over age bands and lower proportions in the remaining younger age bands. Botley's population has experienced growth in all age groups. The 16-24 age group, experienced the largest rate of growth.</p>	<p>Whilst the population of Botley is relatively older the growth in younger age groups suggests there may be a need to provide of younger families.</p> <p>Building slightly more 1 or 2 bedrooms will cater for the growing older population and allow older households to downsize (which will make larger family housing available for those in need). Moreover, it will also allow younger households to form, stay in the area, or relocate.</p> <p>To satisfy the requirements of increasingly smaller and older households, but also to enable younger households to remain in the area, it is recommended that around 53% of houses in new developments should be three-bedroom homes, around 14.5% should be two-bedroom homes and around 15.4% should be one-bed homes.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Specialist housing for elderly people	AECOM Calculations, HousingCare.org, Census 2011, ONS SNPP 2013& 2016, Housing LIN.	<p>There are 167 existing units of specialist housing for older people in Botley, for a 2011 population of 443 people aged 75. Suggesting the actual rate of provision is approximately 380 dwellings per 1000 population aged 75+.</p> <p>HLIN calculations suggest an overall total of 106 specialist dwellings for those who require housing with care. By contrast, the tenure led calculations suggest the number of households falling into potential need for specialist accommodation is therefore 296.</p>	<p>It's recommended that at least 106 specialist dwellings are required, with the projection of 296 dwellings functioning as an upper, more aspirational target.</p> <p>Wherever specialist housing need is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for elderly people who wish to leave their family homes in their old age.</p> <p>Specialist housing for the elderly should be provided in sustainable, accessible locations. Botley's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation. Hedge End is considered to have potential to accommodate the specialist housing need arising from the neighbourhood plan area.</p>

7.2 Recommendations for next steps

173. This Neighbourhood Plan housing needs assessment aims to provide Botley 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 Eastleigh with a view to agreeing and formulating draft housing policies, bearing the following in mind:

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

174. This advice note 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.

175. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with

an impact on housing policy produced by the Government, Eastleigh or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

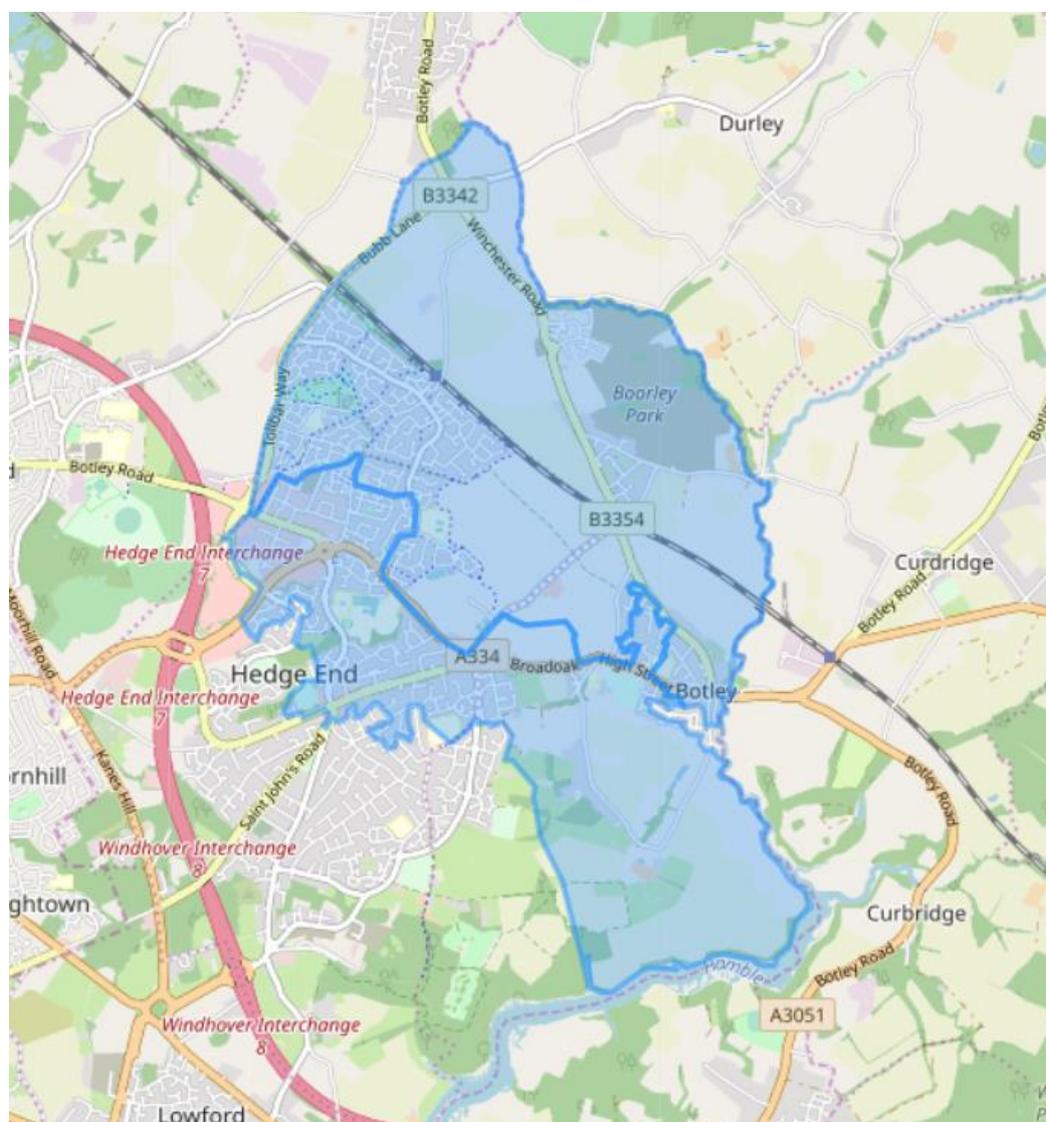
176. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

177. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the neighbourhood plan area. Such data is available at MSOA level but not at the level of neighbourhood plan areas.
178. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the neighbourhood plan area. In the case of Botley, it is considered that a combination of MSOAs E02004721 and E02004722 (also known as Eastleigh 010 and Eastleigh 011) are the closest realistic proxy for the neighbourhood plan area boundary, and as such, this is the assessment geography that has been selected. A map of the combined MSOAs appears below in Figure 7-1. The combination has been chosen as no single MSOA accurately portrays the extent of the neighbourhood plan area. The combined MSOAs contains the majority of the neighbourhood plan area population, however, it should be noted that both constituent MSOA boundaries contain a significant population from outside the neighbourhood plan area.

Figure 7-1: MSOA E02004721 and E02004722 used as a best-fit geographical proxy for the neighbourhood plan area



Source: ONS, OpenStreetMap

A.2 Market housing

179. Market dwellings are accessible to people on higher incomes. Choices in the housing market are driven principally by spending power, life stage, and personal taste.
180. The operation of the housing market is, in most circumstances, the best means of addressing the demand for different types of housing for sale. For this reason, it is important that planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand, because this is the principal way equilibrium is achieved in the market and thus house price growth kept in check.
181. In this sense, the notion of development viability is essential. It is important not to deter development in the context of clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.
182. To determine affordability in market housing, we consider two primary indicators: income thresholds (IT), which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds (PT), which denote the standard household income required to access mortgage products.

i) Market sales

183. The starting point for calculating the affordability of a dwelling for sale (i.e. the PT) from the perspective of a specific household is the loan to value ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
184. To produce a more accurate assessment of affordability, both the savings available for a deposit and the equity in the home from which the buyer is moving (if not a first-time buyer) should be taken into account. However, this data is not available for Botley. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.
185. The calculation is therefore:
 - Value of an 'entry level dwelling'³⁴ = £272,403;
 - Purchase deposit = £27,240 @10% of value;
 - Value of dwelling for mortgage purposes = £245,163;
 - Loan to value ratio = 3.5 of value of mortgage;
 - **Purchase threshold = £70,046.**

ii) Private Rented Sector (PRS)

186. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rent property if the lower quartile private rent does not exceed 25% of gross household income for households with incomes of less than £40,000 per annum, or 30% of gross household income for households with incomes of more than £40,000 per annum.
187. It is assumed that lower quartile private rent equates to the average rent paid in the Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,³⁵ such a home would require three habitable rooms (a flat or house with two bedrooms).
188. The property website [Home.co.uk](http://www.home.co.uk) shows rental values for property in the Plan area. The best available data is derived from properties available for rent within the SO 30 postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

³⁴ 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Plan area, as set out in the Tenure and Affordability chapter above.

³⁵ This is based on the concept of the 'room standard', which indicates a dwelling is legally overcrowded if two people of the opposite sex have to share a room to sleep in (this does not apply when couples share a room). See: http://england.shelter.org.uk/housing_advice/repairs/overcrowding

189. According to home.co.uk, there are 41 two-bed properties currently listed for rent across SO 30, with an average price of £792 per calendar month.
190. It is possible to derive from this data the estimated income threshold for private rental sector dwellings in the Plan area; the calculation is therefore:
- Annual rent = £792 x 12 = £9,509;
 - Multiplied by 4 = £38,036;
 - **Income threshold (private rental sector) = £38,036.**
191. The NPPF 2018 acknowledges that build-to-rent dwellings have a role to play in providing affordable market homes and may meet affordable housing need where they include a component of affordable private rent.

A.3 Affordable Housing

192. There are a range of tenures that constitute the definition of Affordable Housing within the 2018 NPPF: social rent and affordable rent, starter homes, discounted market sales housing, and other affordable routes to home ownership.
193. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more sectors of the population, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.
194. A good example is, in 2012, the introduction of dwellings for affordable rent. Rent for this tenure is set at up to 80% of market rent. Labelled an 'intermediate' product, this tenure is suitable for people with an income that precludes them from eligibility for socially-rented dwellings (where rent is set in accordance with the Government's rent policy), but who, at the same time, cannot afford to access the private market.
195. The overall aim is to restrict eligibility for social rent dwellings to those with very low household incomes, relatively speaking. However, within this tenure, market principles also apply, given the link between rents and size of dwelling. There is a strong financial incentive for households to only occupy a dwelling deemed suited to their needs, based on an 'occupancy rating' formula set by the Government.
196. We consider each of the affordable housing tenures in turn, before developing a recommendation for how the quota of affordable housing yielded by development should be divided between these tenures.

i) Social rent

197. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on low incomes and is subject to strict eligibility criteria.
198. To determine social rent levels, we used the data and statistical return from Homes England. This data is only available at the LPA level so must act as a proxy for Botley. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Eastleigh in Table A-1 below.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£89	£105	£118	£133	£109
Annual average	£4,603	£5,484	£6,154	£6,933	£5,662
Income needed	£18,412	£21,938	£24,615	£27,731	£22,649

Source: Homes England, AECOM Calculations

ii) Affordable rent

199. Affordable rent is controlled at no more than 80% of the local market rent; as we have seen, the annual entry-level rent in Botley is £9,509. In the event of a 20% reduction in rent to £7,607, the income threshold would reduce to an estimated **£30,429 (i.e. £7607x4)**.

iii) Intermediate tenures

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

Starter homes

201. The Housing and Planning Act 2016 introduced a duty on planning authorities in England to promote the supply of 'starter homes', and to require a minimum number or proportion of 'starter homes' on certain residential development sites. In paragraph 64 of the NPPF 2018, the Government introduces a recommendation that *"where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership"*.
202. In effect, therefore, the NPPF permits neighbourhood planners to decide an appropriate level of affordable home ownership tenure, while taking note of the 10% policy expectation.
203. A starter home is a new build home with a value not exceeding £250,000 (or £450,000 in London); they are eligible for first time buyers aged 40 or younger.
204. Whether to treat discounted market sale homes as affordable housing or not depends on whether lowering the asking price of new build homes of a size and type suitable to first time buyers by 20% would bring them within reach of people currently unable to access AMH for purchase.
205. To provide a conservative assessment of the suitability of discounted market sale homes, it is appropriate to apply the value we have estimated for an entry-level dwelling in Botley, namely £272,403.
206. Applying a discount of 20% provides an approximate selling price of £217,922. Allowing for a 10% deposit further reduces the value of the property to £196,130. The income threshold at a multiple of 3.5 is **£56,037**.

Shared ownership

207. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned.
208. 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 £60,000.
209. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £272,403.³⁶ The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to value ratio of 3.5 is used to calculate the income required to obtain a mortgage. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 25% of the income on rent (as for the income threshold for the private rental sector).
210. A 25% equity share of £272,403 is £68,101, from which a 10% deposit of £6,810 is deducted. The mortgage value of £61,291 (£68,101 - £6,810) is then divided by 3.5. To secure a mortgage of £61,291, an annual income of £17,512 (£61,291/3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £204,302. An ongoing annual rent equivalent to 2.5% of the value of the

³⁶ It is important to note that this is based on new build sales only. The current shared ownership models are only available for new build homes, with the assumed cost therefore differing from the cost of open market housing, which also includes property re-sale.

unsold equity is assumed, which is £5,108 and requires an income of £20,430. Therefore, an income of around **£37,942** (£17,512 + £20,430) is required to afford a 25% shared equity purchase of an entry-level house with annual rent.

211. A 50% equity share of £272,403 is £136,202, from which a 10% deposit of £13,620 may be deducted. The mortgage cost of £122,581 (£136,202 - £13,620) is then divided by 3.5. To secure a mortgage of £122,581, an annual income of £35,023 (£122,581 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 50% shared ownership equity, comprising the unsold value of £136,202. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £3,405, requiring an income of £13,620. Therefore, an annual income of around **£48,643** (£35,023 + £13,620) is required to afford a 50% shared equity purchase of an entry-level house with annual rent.
212. A 75% equity share of £272,403 is £204,302, from which a 10% deposit of £20,430 can be deducted. The mortgage cost of £183,872 (£204,302 - £20,430) is then divided by 3.5. To secure a mortgage of £183,872, an annual income of £52,535 (£183,872 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 25% shared ownership equity, comprising the unsold value of £68,101. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,703, requiring an income of £6,810. Therefore, an annual income of around **£59,345** (£52,535 + £6,810) is required to afford a 75% shared equity purchase of an entry-level house with annual rent.

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 house 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)

National Planning Policy Framework Annex 2: Glossary, Affordable Housing

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 methods³⁷.

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 made at the examination stage of neighbourhood plans. They need to be met before a plan can progress to referendum.

Backlog need

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

Bedroom Standard³⁸

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.

³⁷ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

³⁸ 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 principle forms of community-led models include cooperatives, co-housing communities, self-help housing, community self-build housing, collective custom-build housing, and community land trusts. By bringing forward development which is owned by the community, the community is able to set rents and/or mortgage payments at a rate that it feels is appropriate. The Government has a range of support programmes for people interested in bringing forward community led housing.

Community Right to Build Order³⁹

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

Concealed Families (Census Definition)⁴⁰

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.

Extra Care Housing⁴¹

New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming frailer and less able to manage day-to-day tasks without assistance. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very or enhanced sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. In addition to the communal facilities often found in sheltered housing (residents' lounge, guest suite, laundry), Extra Care often includes a restaurant or dining room, health & fitness facilities, hobby rooms and even computer rooms. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, owned or part owned/part rented. There is a limited (though increasing) amount of Extra Care Housing in most areas and most providers set eligibility criteria which prospective residents have to meet.

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.

³⁹ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁴⁰ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

⁴¹ See <http://www.housingcare.org/jargon-extra-care-housing.aspx>

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, such as Starter Homes, the Government's flagship 'housing product'.

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 years⁴², 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 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.

⁴² See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing⁴³

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

⁴³ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

wheelchair users, and they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

A Strategic Housing Market Assessment (SHMA) is a document prepared by one or more local planning authorities to assess their housing needs under the 2012 version of the NPPF, usually across administrative boundaries to encompass the whole 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.⁴⁴

⁴⁴ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

