

Bingley Housing Needs Assessment (HNA)

January 2020

Quality information

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List of acronyms used in the text:

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

1. Executive Summary

1.1 Introduction

1. Bingley Town Council commissioned from Locality a Housing Needs Assessment (HNA) to inform their emerging Neighbourhood Plan. In consultation with the neighbourhood planning group, we developed four 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 Findings of RQ 1: Tenure and Affordability

2. As seen at district and national levels, the vast majority of households in Bingley are owner-occupiers. This is followed by the private rented sector, and the social rented sector, both of which exhibit lower proportions than seen at district and national level.
3. The largest change in the NA between 2001 and 2011 was seen in private rented accommodation, a substantial increase of 231.8%, with a lesser but still significant 130.8% increase experienced in the wider District. Shared ownership also increased significantly by 91.3%, whilst this tenure declined in the wider District by -6.7% (against the national trend that has seen shared ownership increase by 30%). This growth is largely due to the low base in 2001 and a considerable growth in this sector. Total ownership also grew in the NA, at rates significantly higher than seen across other geographies.
4. House prices have grown significantly for all house types, with the exception of flats which price declined by -10.1%. Nevertheless, the largest increase was that of semi-detached homes which increased by 29.9%, followed by detached homes at 20.6% and terraced homes by 15.4%.
5. The average total annual household income in 2015/16 in Bingley was £40,850.¹
6. At the local authority level, data on gross Lower Quartile (LQ) annual incomes for 2018 suggests that those on the lowest incomes have incomes of around £19,000 per year – less than half the income available to those on average incomes in Bingley.
7. The income required to buy an average market home for sale (i.e. the Purchase Threshold or PT) is higher than that available to those on median household incomes. An entry-level home for sale is inaccessible to those on lower quartile household incomes but those on median incomes would be able to afford these properties.
8. Turning to properties for purchase through the Starter Homes and Shared Ownership tenures, i.e. those aimed at people unable to purchase a market home, the PT is too high to meet the needs of those on LQ incomes. As those on median incomes can afford to purchase entry level homes these products are unlikely to be suitable in this area. An exception might be if they are able to provide opportunities for those on median incomes to access larger family sized homes rather than entry level small properties.
9. The ability of those on lower quartile incomes to afford entry-level market rents, affordable rent and social rent suggests that these tenures provide an affordable route to renting a home in Bingley to those even on the lowest household incomes.
10. It is recommended that for Bingley around 65% should be Affordable housing for rent tenures, with 35% delivered as affordable home ownership products. The majority of this should be delivered as shared ownership as this extends home ownership to the greatest number of households, but there is significant interest in discounted market sale homes and these could help to widen the choice available to local residents.

1.3 Findings of RQ 2: Type and Size

11. Compared with the Local Planning Authority (LPA), Bingley is characterised by a significantly higher proportion of detached homes and flats. Meanwhile there is a slightly lower proportion of terraced homes in the NA compared to the wider District. The housing stock in Bingley is characterised by generally large dwellings, with high proportions of properties with 3 to 6 rooms. This theme is broadly reflected at the LA level.

¹ 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.

12. The 2011 Census data reveals that in line with district and national proportions, Bingley has a high proportion of people aged 25 to 64 (55% in Bingley compared to 51% in Bradford and 53% nationally). Bingley also has a smaller sized younger population aged 24 and under (27%), significantly lower than the District and national averages of 36% and 31% respectively. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001, NA population has grown in all categories, with significant growth in the 45-64 and 85+ categories.
13. The NA's comparatively large stock of dwellings, its recent trends towards single occupancy, older households and fewer families with dependent children (all of which can reasonably be expected to persist in future) may warrant a Neighbourhood Plan policy to prioritise the provision of smaller dwellings (2 and 3 bedroom) to some extent.
14. The recommended house size mix in Bingley is: 19.2% of dwellings in new developments should have one bedroom, 26.3% should have two bedrooms, 48.5% should have three bedrooms, and the remaining 6% should have at least four bedrooms. It is important to keep these figures in perspective. They represent estimates based on demographic modelling but do not take into account other factors such as the nature of the existing stock (in terms of local mix and quality), the sites that are likely to be developed (and what might be an appropriate mix of dwellings given the context), viability matters or the role of the NA in the wider housing market. The latter point is important since although there may be biases in the demographic mix and stock in particular neighbourhoods, this may serve an important function in the wider market area. The LA and neighbourhood group should consider whether any biases or misalignments are problematic and need addressing or whether they reflect a housing market that is functioning on a wider scale. Nevertheless, it is usually a good objective to promote greater choice in the type and size of housing available at the neighbourhood level and this analysis provides some guidance for doing so.

1.4 Findings of RQ 3: Specialist Housing for older people

15. There are currently **578** specialist dwellings (or bed spaces), for a 2011 population aged 75+ of **2,046**. This suggests the actual rate of provision in Bingley is approximately 281 dwellings per 1000 population aged 75+.
16. Our calculations indicate that by 2030 there will be 24,075 residents in Bingley, an increase of 1,014 residents. The majority of this increase is likely to be amongst those aged 75 and over. It is expected that 829 additional residents will be aged 75 and over in 2030.
17. At least 208 specialist dwellings are required to service the needs of older people over the Plan period, and the estimate of 394 dwellings should function as an upper estimate of need. However, the extent to which these needs are met through new, specialist provision will depend on the LA policy for meeting care and support needs and, in particular, how far these can be met in existing homes.
18. For this reason, our recommendation would be to treat these estimates as a range, with around 200 specialist dwellings being required to service the needs of elderly people over the Plan period, though there might be demand for up to 400 if attractive options can be provided and other constraints allow. These estimates should be treated with caution as the need or demand for this type of accommodation is inherently tied to LA policies on the provision of care and support. Many local authorities aim to support older people (and other vulnerable people) in their own homes for as long as possible. If these strategies are successful, they may reduce the requirement for specialist housing with care or support.
19. As this range relates to the total number of specialist dwellings to be provided by the end of the Plan period, the current supply of specialist housing for older people in Bingley should be taken into consideration.
20. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
 - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
21. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

22. It is considered that Bingley is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Bingley in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself.
23. Given that most older people will live within the mainstream housing stock and may receive care and support in their own homes, the neighbourhood group may wish to consider the extent to which new housing provision is built to accessible and adaptable standards. Increasing the proportion of accessible and adaptable homes within the housing stock, through applying optional building regulations (M4(2) and M4(3)) could play an important part in ensuring the wider housing stock meets the needs of older people.

1.5 Findings of RQ 4: Newly-forming households/first time buyers

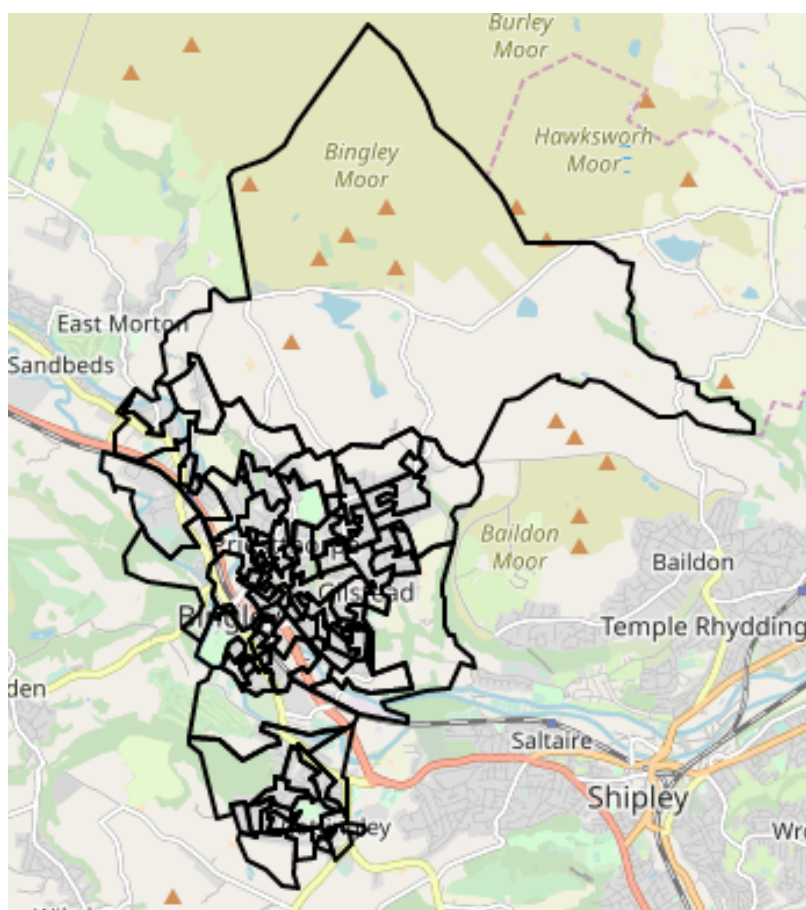
24. On the basis of ONS Census 2011 data, around 1,673 individuals aged under 35 had not formed their own household. This represents around 7.2% of new households with the potential to form.
25. Based on analysis in this report, new-build homes which offer entry-level market sales (including affordable routes to home ownership) and private rent are likely to address the needs and aspirations of younger, newly forming households.
26. It is recommended that neighbourhood planners consider promoting these tenures within new housing developments if the policy goal is to ensure that suitable and affordable housing for younger people can be provided within the Neighbourhood Plan area.

2. Context

2.1 Local context

27. Bingley is a Neighbourhood Plan area located in Bradford, West Yorkshire. It is a market town and civil parish within the metropolitan borough and city of Bradford. The Neighbourhood Area (NA) boundary comprises the civil parish of Bingley and was designated in August 2017.
28. The proposed Neighbourhood Plan period starts in 2019 and extends to 2030, therefore comprising a planning period of 11 years.
29. The A650 trunk road passes through Bingley. Through traffic has been diverted onto the new dual carriageway avoiding the town centre. The road passes north-west to Keighley and south-east to Shipley and Bradford. Numerous buses connect the Parish to Keighley, Leeds and Bradford. There are also trains from Bingley station which connect the town with Bradford, Leeds, Skipton and further afield.
30. The civil parish of Bingley was established in April 2016 and therefore the civil parish boundaries did not exist at the time of the ONS Census 2011. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units called Output Areas (OAs). The Plan area equates to the following OAs, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses. The OA proxy area is shown below.

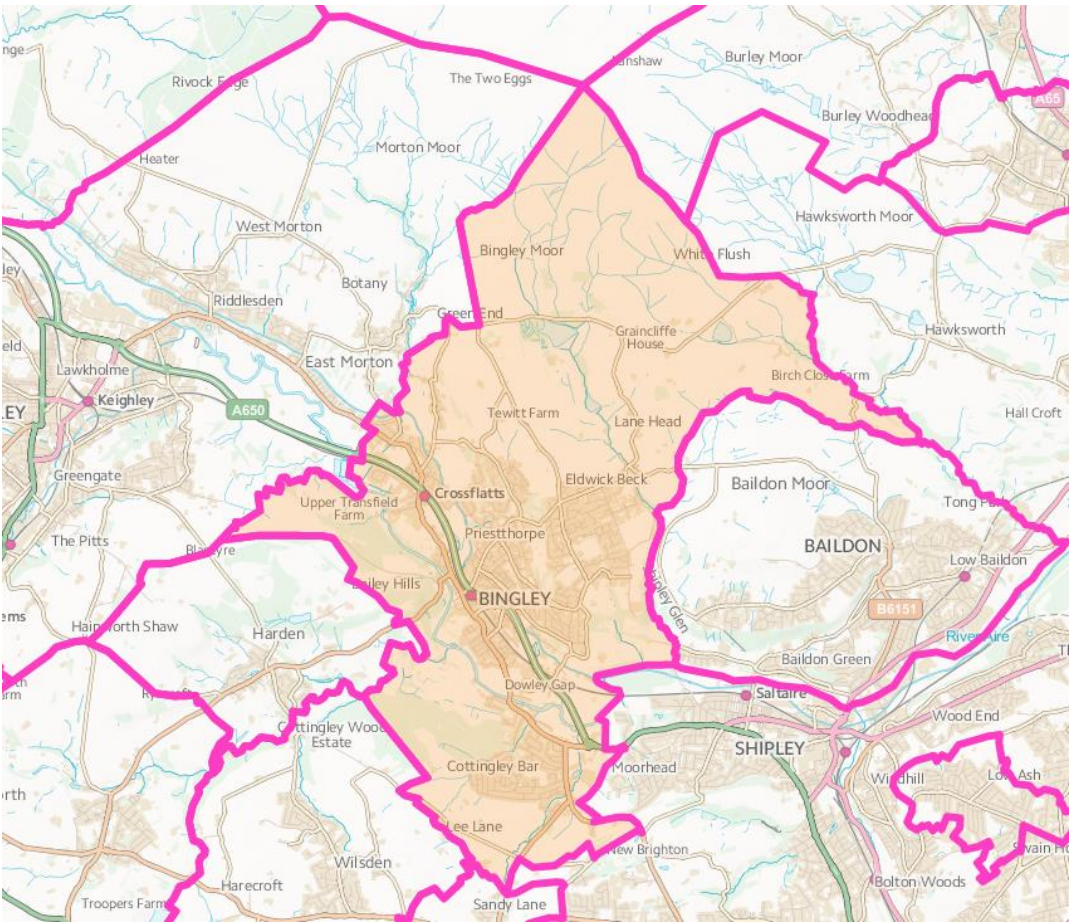
Figure 2-1 : Bingley OA proxy area



Source: ONS (Black lines are Output Areas)

31. The statistics show that in the 2011 Census the Neighbourhood Plan area had a total of 23,061 residents.
32. A map of the Plan area appears below in Figure 2.2.

Figure 2-2: Map of the Bingley Neighbourhood Plan area



Source: Ordnance Survey (Pink borders denote neighbourhood plan areas)

2.2 Planning Policy Context

33. 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.³ Consequently, there is a need for the relevant elements of the Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
34. The current adopted Local Plan for the Bradford Metropolitan District: Core Strategy Development Plan Document, adopted in 2017, sets out detailed planning policies for the area, for the period up to 2030. Bradford Council is also currently reviewing the Core Strategy to reflect the new standard methodology in regard to its housing requirement figure. This will replace the current Local Plan Core Strategy. Upon completion, the emerging Local Plan will provide the most up-to-date planning policy for the area, for the period up until 2037.
35. However, given that the emerging Local Plan Core Strategy is not due to be adopted until 2022 at the earliest, the existing Bradford Core Strategy will be the document with which the Neighbourhood Plan (NP) must conform. However, in practice, there is normally little difficulty in achieving conformity with both the adopted Plan at the time of writing and the emerging Plan that will apply for the majority of the Neighbourhood Plan period, and for this reason, both Plans are reviewed.

2.2.1 Policies in the Adopted Local Plan⁴

36. In the case of Bingley, the relevant local planning context comprises the adopted Local Plan for the Bradford District: Core Strategy Development Plan Document, which covers the years up to 2030.
37. It was adopted on July 2017 although it is currently being reviewed to reflect the updated NPPF (2019).
38. A list of all Bradford policies relevant for the purpose of this HNA is identified in Table 2.3 below.

Table 2-3: Summary of Bradford Adopted Policies Relevant to the Bingley Neighbourhood Plan Housing Needs Assessment

Policy	Source	Provisions
Strategic Core Policy 4 (SC4): Hierarchy of Settlements	Core strategy (Adopted 2017)	This policy designates Bingley as a Principal town. Ilkley, Keighley and Bingley will be the main local focus for housing, employment, shopping, leisure, education, health and cultural activities and facilities
Policy HO3: Core Distribution of Housing Development	Core strategy (Adopted 2017)	The housing needs requirement figure for Bingley is 1,400 homes between April 2013 and April 2030
Policy HO8: Housing Mix	Core strategy (Adopted 2017)	All large sites will be expected to incorporate a mix of housing types, sizes, prices and tenures.
Policy HO11: Affordable Housing	Core strategy (Adopted 2017)	Subject to viability, the Council will negotiate for up to 20% of affordable housing on residential developments in towns, suburbs and villages such as Bingley.

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

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

⁴ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

2.2.2 Policies in the Emerging Local Plan⁵

39. The Government has changed the approach to how housing need is calculated in England using a 'Standard Method'. For Bradford District this provides a minimum of 1,703 net dwellings per annum (including affordability adjustment) or a total of 28,951 dwellings over a 17-year plan period before adjustments for housing losses and windfalls. With the reduced overall housing requirement from the Bradford Metropolitan District: Core Strategy Development Plan Document and an updated distribution of growth, all settlements will see a reduction in absolute housing targets with the exception of Bradford City Centre (up from 3500 to 4000).
40. Bradford Council commenced a formal review of the Core Strategy in January 2019 and is now consulting on its preferred policy options until 24 September 2019. This revised Core strategy is likely to be adopted in early 2022.

Table 2-4: Summary of Bradford adopted policies having relevance to Bingley Neighbourhood Plan Housing Needs Assessment

Policy	Source	Provisions
Policy HO3: Distribution of Housing Development	Bradford core strategy partial review	The housing needs requirement figure for Bingley is 800 homes between April 2020 and April 2037 (47 per annum)
Policy HO8: Housing Mix	Bradford core strategy partial review	The council will ensure that a mix and balance of housing is provided to meet the needs of the District's growing and diverse population. All large major residential development sites where 10 or more homes will be provided or the site has an area of 0.5 hectares or more will be expected to incorporate a mix of housing types, sizes, prices and tenures. The exact mix should be based both on market demand and evidence of local need within the District's SHMA together with any other robust local evidence or information such as a housing needs assessment.
Policy HO11: Affordable Housing	Bradford core strategy partial review	<p>On major residential developments, affordable housing provision that meets identified local needs should be provided at 20% in towns, suburbs and villages.</p> <p>Affordable housing contributions will be required on all major developments of 10 or more homes or on sites over 0.5 hectares in area.</p> <p>The following tenure mix should be the starting point for all affordable housing negotiations:</p> <ul style="list-style-type: none"> • 65% affordable housing for rent • 35% affordable home ownership products

Source: Bradford Council Core strategy Development plan document

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

3. Approach

3.1 Research Questions

41. 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.
42. Below we set out the RQs relevant to this study, as discussed and agreed with Bingley.

3.1.1 Tenure and Affordability

43. 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.
44. This evidence will allow Bingley 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

45. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. BTC (Bingley Town Council) have identified a growing need for homes for younger families and those that require smaller homes of 2-3 bedrooms. BTC want to identify the need for smaller homes in Bingley.
46. 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 Older People

47. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older people. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – such as options to downsize or rightsize (moving to a more appropriately sized dwelling), independent living provision, as well as settings which provide care. 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 older people through the Plan period.

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

3.1.4 Housing for Newly-Forming Households/First-Time Buyers

48. The neighbourhood planning group is keen to ensure that there is an adequate supply of affordable and suitable dwellings for first-time buyers in the Neighbourhood Plan area, given the challenge that younger people have been facing, compared with previous generations, in accessing home ownership. As such it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Plan area retains its younger population.

RQ 4: What provision should be made in terms of housing for newly forming households/first-time buyers over the Neighbourhood Plan period?

3.2 Relevant Data

3.2.1 Local authority evidence base

49. 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 Bingley Neighbourhood Area is located within Bradford's planning area, it is relevant to examine Bradford Strategic Housing Market Assessment (SHMA) 2019.
50. For the purpose of this HNA, data from Bradford's own evidence base to support their housing policies has been considered applicable and relevant unless it conflicts with more locally specific and/or more recently-produced evidence. The housing market evidence draws upon a range of data including population and demographic projections, housing market transactions, and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the Neighbourhood Plan area and has been referenced as appropriate.

3.2.2 Other relevant data

51. In addition to the Bradford 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](https://www.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 older 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

52. 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.
53. This section will examine the tenure of dwellings in the current stock and recent supply. Then, looking at affordability, it assesses 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

54. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. AH comprises those forms of housing tenure that fall within the definition of Affordable Housing set out in the current NPPF: social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms of AH designed to offer affordable routes to home ownership.⁷ To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
55. 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.
56. The revisions seek to broaden the definition of AH (which had previously referred only to social and intermediate housing) to include a range of low-cost housing opportunities for those aspiring to own a home, including starter homes.
57. 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

58. In order to set a baseline for our examination of tenure, it is necessary to present a picture of the Neighbourhood Plan area based on the most recent reliable data. Table 4-1 below presents Census data from 2011; this table shows the distribution of how households occupy their homes within Bingley, compared to the rest of Bradford and England.
59. As seen at district and national levels, the vast majority of households in Bingley are owner-occupiers. This is followed by the private rented sector, and the social rented sector, both of which exhibit lower proportions than seen at district and national level.

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

⁷ NPPF 2019.

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

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

Tenure	Bingley	Bradford	England
Owned; total	72.3%	65.0%	63.3%
Shared ownership	0.4%	0.6%	0.8%
Social rented; total	10.7%	14.8%	17.7%
Private rented; total	15.6%	18.1%	16.8%

Sources: Census 2011, AECOM Calculations

60. In Table 4-2, we note the changes in the way households occupied their homes during the intercensal period. The largest change in the NA was seen in private rented accommodation, a substantial increase of 231.8%, with a lesser but still significant 130.8% increase experienced in the wider District. Shared ownership also increased significantly by 91.3%, whilst this tenure declined in the wider District by -6.7% (against the national trend that has seen shared ownership increase by 30%). Total ownership also grew in the NA, at rates significantly higher than seen across other geographies. The large increases seen in both shared ownership and private rented tenures are due to the low base in 2001 as well as robust growth in these sectors.

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

Tenure	Bingley	Bradford	England
Owned; total	9.1%	1.2%	-0.6%
Shared ownership	91.3%	-6.7%	30.0%
Social rented; total	-2.9%	0.6%	-0.9%
Private rented; total	231.8%	130.8%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

4.4 Affordability

61. Having reviewed both the tenure of the existing housing stock in Bingley, this report assesses 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, the starting point is to consider whether this profile provides access to dwellings of a suitable type and size for different households within the area

4.4.1 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 measure for benchmarking affordability changes over time and comparing different areas. 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 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 Bingley. It shows that there has been

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

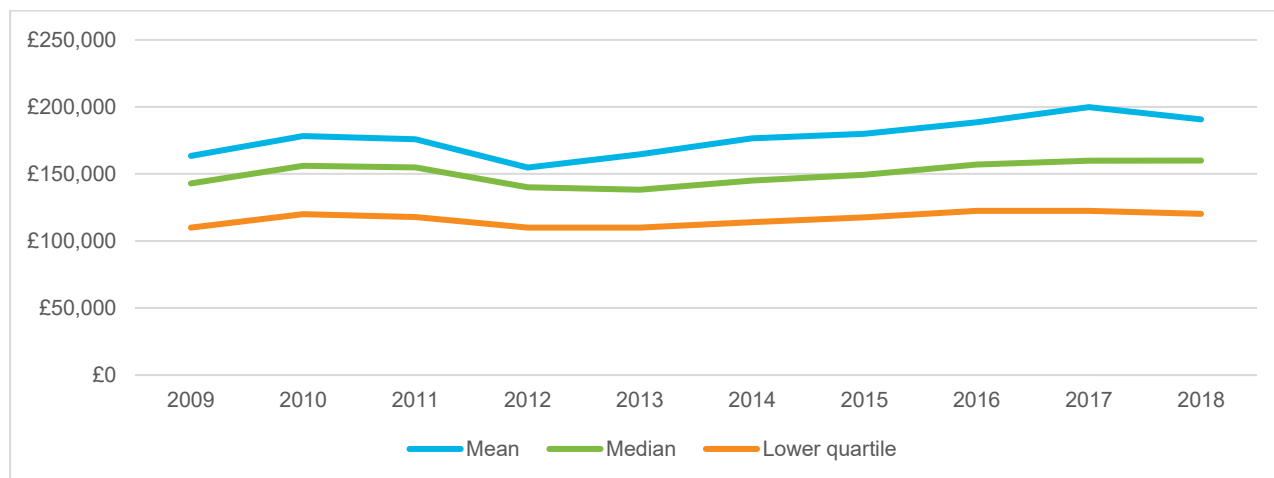
¹⁰ See Glossary in Appendix.

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>

some slight fluctuation over the last decade, amidst limited price growth. The mean, median and lower quartile house price all saw price drops in 2012 followed by a period of growth.

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



Source: Land Registry PPD

66. Table 4-3 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It shows that house prices have grown significantly for all house types, with the exception of flats where prices declined by -10.1%. Nevertheless, the largest increase was that of semi-detached homes which increased by 29.9%, followed by detached homes at 20.6% and terraced homes by 15.4%.

Table 4-3: House prices by type in Bingley, 2009-2018 (rounded)

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Detached	£272k	£270k	£271k	£286k	£304k	£300k	£299k	£322k	£349k	£328k
Semi-detached	£151k	£168k	£162k	£151k	£165k	£175k	£171k	£179k	£189k	£196k
Terraced	£134k	£134k	£144k	£136k	£137k	£146k	£139k	£150k	£157k	£154k
Flats	£124k	£116k	£106k	£109k	£112k	£108k	£117k	£114k	£115k	£111k
All Types	£163k	£178k	£175k	£154k	£164k	£176k	£180k	£188k	£199k	£190k

Source: Land Registry PPD

4.4.2 Income

67. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. As such, we have used two sources of data for household incomes in the NA.
68. The first is locally specific but limited to the average total household income and the median net annual household income. This is the average household income estimates published by ONS¹³ at the level of the Middle-layer Super Output Area (MSOA)¹⁴. In the case of Bingley, the MSOA's most suitable for use as a proxy for the Neighbourhood Plan area boundary are MSOA E02002192 and E02002197. Further details on the extent of this MSOA, including a map, and why it was selected as a proxy for the Neighbourhood Plan area, are set out in Appendix A.

¹³Available at

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

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

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

69. The average net annual household income before housing costs (equalised) across MSOA E02002192 and E02002197 in 2015/16 was £30,150, while the average total annual income was £40,850. The latter figure is most likely to be used by mortgage lenders to determine how much a household can borrow.¹⁵
70. The second source of data provides the Lower Quartile (LQ) average income that is helpful for understanding affordability challenges among those with lower than average incomes, but it is only available at the District level and so is less locally-specific. It is derived from the Bradford District SHMA 2019 which is not yet completed. Bradford's gross LQ annual income for 2018 was £19,018 per year.
71. This LQ figure is a helpful indication of what those in the lowest income brackets are able to put towards their housing costs, although it is important to note two caveats. First, this figure applies to the wider District and may therefore differ from actual LQ income levels within the NA itself. Second, it is an indication of gross rather than net incomes, and so the actual amount of income received after taxes and expenses will likely differ.

4.4.3 Affordability Ratios

72. In line with the PPG, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio (LQAR) and the Median Affordability Ratio (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.
73. To arrive at a lower quartile affordability ratio (LQAR), we divide the lower quartile house price in Bingley by the lower quartile household income in Bradford (the area proxy used for Bingley). This results in a LQAR for Bingley of 6.32 (£120,250/£19,018).
74. To arrive at a Median affordability ratio (MAR), we divide the mean house price in Bingley by the total annual household income in the MSOA area proxy used for Bingley (MSOA E02002192 and E02002197). This results in a MAR for Bingley of 4.67 (£190,807/£40,850).

4.4.4 Affordability Thresholds

75. In order to gain a clearer understanding of local affordability, it is also useful to understand what level of income is 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.

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

Tenure	Cost of purchase	Annual rent	Income required
Entry-level market sale	£108,225	N/A	£30,921
Shared ownership (75%)	£81,169	£3,006	£26,197
Entry-level Market Rent	N/A	£6,864	£27,456
Starter homes (discount on market sale of 20%)	£86,580	N/A	£24,737
Affordable Rent (discount on market rent of 20%)	N/A	£5,491	£21,965
Shared ownership (50%)	£54,113	£6,013	£21,473
Shared ownership (25%)	£27,056	£9,019	£16,749
Social Rent - 3 Bed Dwelling	N/A	£4,630	£18,520
Social Rent - 2 Bed Dwelling	N/A	£4,091	£16,363

Source: AECOM Calculations

76. We have determined thresholds for: market purchase; private rented sector (PRS); shared ownership at 25%, 50%, and 75%; affordable rent set at 80%, and estimated social rent levels across Bingley. These calculations are detailed in

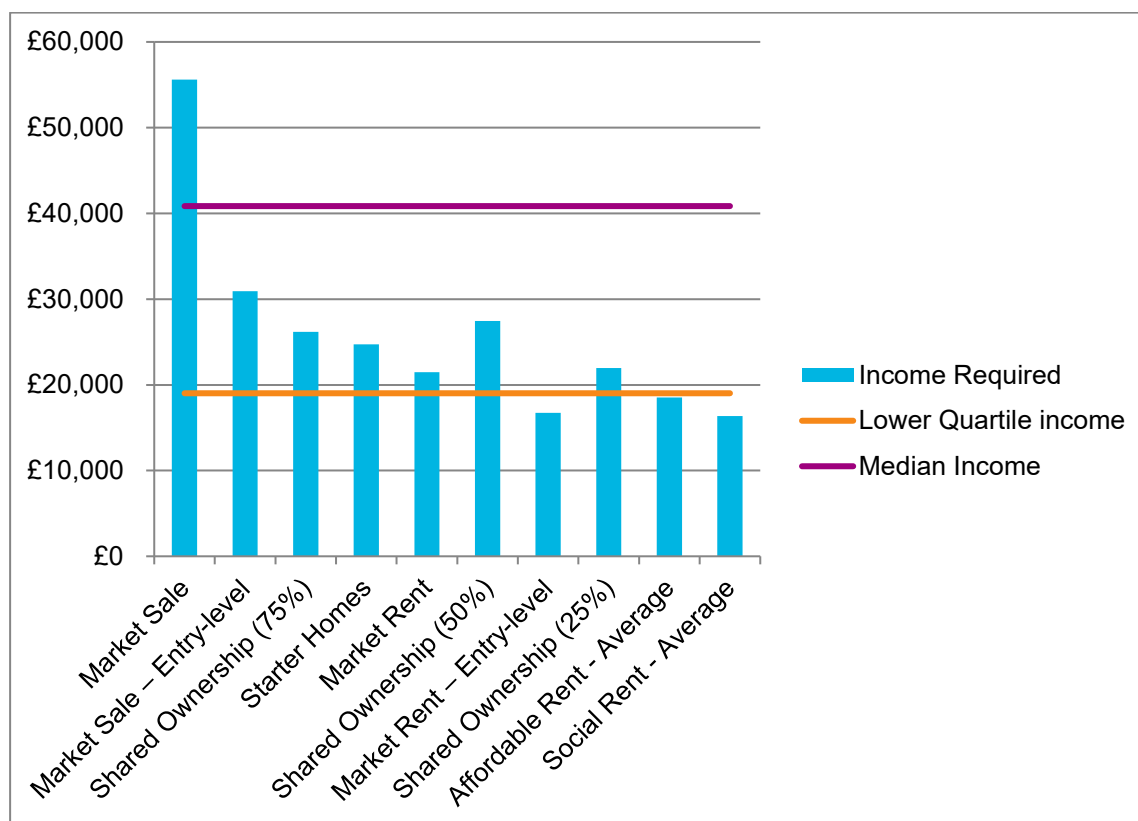
¹⁵ Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

Appendix A. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations. Table 4-4 shows the annual cost of different tenures and the income required (excluding deposits saved) to support these costs within Bingley.

77. The income required to afford the different tenures is then benchmarked, in Figure 4-2 below, against the two measurements of household income set out above. These are £19,018 and £40,850 respectively.
78. 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 lower than the income available to those on median household incomes. This means that those on median incomes should be able to afford to access entry level market homes for sale. The income required to buy an entry-level home for sale is higher than those on lower quartile household incomes.
79. Starter Homes, discounted market sale products and Shared Ownership tenures are aimed at households unable to afford to purchase a home on the open market. Whether they are affordable to these households depends on the extent to which they offer a substantial discount on the price of a market homes. Ideally, products would be discounted in relation to entry level purchase prices (as is done in our calculations) and extend home ownership to those unable to buy in the market, in practice developers are likely to set prices in relation to new build homes (which usually experience a price premium). Even if they can be delivered at a discount to entry level homes (as illustrated in Table 4-4) they remain inaccessible to those on LQ incomes.
80. Finally, the ability of those on lower quartile incomes to afford affordable rent and social rent suggests that these tenures provide an affordable route to renting a home in Bingley to those even on the lowest household incomes.
81. Government policy aimed at tackling the housing crisis continues to attach high priority to helping those on modest 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 Bingley, the table above suggests that households on median incomes are able to access entry level home ownership without the need for affordable home ownership products. However, those on the lowest incomes (LQ incomes) are unable to access homeownership without subsidy. Those on LQ incomes would be able to access homes for social/affordable rent and shared ownership properties offered at 25% initial share. They are also likely to access the private rented sector, although average rents appear to be at the margins of affordability for this group.

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

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



Source: AECOM Calculations

4.4.5 Affordable Housing - Quantity Needed

82. The starting point for examining affordable housing needs is the Bradford SHMA, recently published in 2019. The approach used in the SHMA uses evidence mainly from the 2019 household survey and secondary data sources to assess affordable housing requirements in Bradford. It focuses on the need from households who are living in unsuitable housing and are unable to afford to rent in the market. Whilst some of these households could afford intermediate products, the majority need social or affordable rented homes
83. The SHMA analysis starts by establishing the current number of households in need across the District and sub-areas. The household survey shows that there are 29,372 existing households in need, which represents 14.1% of all households. In the sub-area of Bingley and Shipley, where Bingley is located – there are 3,072 households in need or 10.5% of all households. Assuming the same proportion applies to the current 10,887 households in Bingley creates a need for 1,143 households.
84. The SHMA analysis based is reproduced in Table 4-5 for the sub-area Bingley and Shipley. The same method was applied onto Bingley NA, on a pro rata basis in the final column.
85. The SHMA estimates an 'net annual imbalance' (what we call annual shortfall) across Bingley and Shipley of 184. This equates to 71 for Bingley NA, slightly lower than our estimation of 87.5 (including both affordable for rent and for sale). However, it is important to emphasis that the SHMA assessment assumes that the backlog of affordable housing need will be addressed in 5 years. If the backlog is addressed over the plan period (11 years in the Neighbourhood Plan), this would reduce the annual shortfall for Bingley to 18.4 per annum.
86. Given that the emerging Local Plan indicates provision for 800 homes in Bingley over the Local Plan period (2020 - 2037), equating to 47 per annum, the need for affordable housing as identified in the SHMA would represent 39% of all housing. This is unlikely to delivered in full because the current affordable housing policy for Bradford requires 20% affordable housing on new development sites.

Table 4-5: Quantity of need for Affordable Housing in SHMA, Bingley over the Plan period

Step	Stage and Step description	Explanation	Bingley and Shipley	Bingley NA
		Total households	30,652	10,887
Stage 1: CURRENT NEED			10.50% ¹⁷	
1.1	Total existing households in need		3,073	1,143
1.2	% in need who cannot afford open market		58.80%	58.80%
1.3	TOTAL in need and cannot open market	Total	1,808	672
Stage 2: FUTURE NEED				
2.1	New household formation (Gross per year)	Based on 1.55% national household formation rate	475	169
2.2	% of new households requiring affordable housing	Based on actual affordability of households forming	53.70%	
	Number of new households requiring affordable housing	Number cannot afford	255	91
2.3	Existing households falling into need	Annual requirement	-	-
2.4	Total newly-arising housing need (gross each year)	2.2 + 2.3	255	91
Stage 3: AFFORDABLE HOUSING SUPPLY				
3.1	Affordable dwellings occupied by households in need	Based on survey	370	131
3.2	Surplus stock	Vacancy rate <2% so no surplus stock assumed		
3.3	Committed supply of new affordable units	Assuming 5-year trend	149	53
3.4	Total affordable housing stock available	3.1+3.2+3.3	519	184
3.5	Annual supply of social re-lets (net)	Annual Supply (3-year average)	329	117
3.6	Annual supply of intermediate affordable housing available for re-lets or resale at sub-market levels	Annual Supply (3-year average)	-	
3.7	Annual supply of affordable housing	3.5+3.6	329	117
Stage 4: ESTIMATE OF ANNUAL HOUSING NEED				
4.1	Total backlog need	1.3-3.4	1,289	488
4.2	Quota to reduce over plan period	Annual reduction	20%	
4.3	Annual backlog reduction	Annual requirement	258	98
4.4	Newly-arising need	2.4	255	91
4.5	Total annual affordable need (GROSS need)	4.3+4.4	513	188
4.6	Annual affordable capacity	3.7	329	117
4.7	Net annual imbalance	4.5-4.6 NET	184	71

Source: Bradford SHMA 2019, AECOM Calculations (figures may not sum due to rounding)

87. The SHMA does not contain an estimate of the full need (or potential demand) for affordable home ownership products from those households who can rent but cannot afford to buy (and would prefer to do so). AECOM has produced a separate estimate for the number of households who might need affordable home ownership in Table 4-6. This is a simplified assessment of the needs of these households but considered reasonable and proportionate for the purposes of neighbourhood planning. These are households who can afford to rent in the market but cannot afford to buy and may prefer to do so. These households are additional to those identified in the SHMA (although there may be some

¹⁷ Housing need in the sub-area of Bingley & Shipley based on the Household Survey shows that there are 3,073 existing households in need, which represents 10.5% of all households

overlap at the margins). This estimate suggests there may be potential demand for around 88 (rounded) affordable home ownership dwellings per annum.

88. It is worth noting that when the needs of households who cannot afford ownership (but can afford rent) are assessed they appear higher in scale than the need for rented homes. This is because the population of this group is larger, though it is important to keep in mind that their needs are less urgent and the majority are accommodated in the private rented sector. They do not lack housing but would prefer to be accommodated in a different tenure. This figure can therefore be considered as potential demand for affordable home ownership products in Bingley.
89. In order to consider an appropriate affordable housing tenure split, the SHMA considers the expressed tenure preferences of existing households in need and newly forming households and the relative affordability of alternative tenure options. The SHMA concludes that 82.7% of affordable housing should be social/affordable and 17.3% should be for sale. This balance reflects the fact that most of those households identified in the SHMA's affordable housing need assessment are those who are unable to afford to rent in the market and lack suitable housing. Very few, therefore, have the financial resources available to access affordable home ownership products.

Table 4-6: Quantity of need for Affordable Housing for sale in Bingley over the Plan period

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	1,957.7	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	37.5%	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefits in NA	733.9	1.1 x 1.2
1.4 Current need (households)	917.8	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	83.4	1.4/ plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	902.0	LA household projections for plan period (2014 based) pro rated to NA
2.2 % of households unable to buy but able to rent	9.0%	Current % of households in PRS
2.3 Total newly arising need	81.0	2.1 x 2.2
2.4 Total newly arising need per annum	7.4	2.3/ plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	53.0	Number of shared ownership homes in NA (Census 2011 + new build to 2018/19)
3.2 Supply - intermediate resales	2.7	3.1 x 5% (assume rate of re-sale)
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Shortfall (per annum)	88.2	Shortfall = (Step 1.5 + Step 2.4) – 3.2

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

90. It is important to note that these affordable housing estimates do not overlap entirely with, or supersede, the overall Housing Requirement Figure for the Neighbourhood Plan area. Rather, they have an unspecified degree of overlap with it. There is no policy or legal obligation on the part either of the Local Authority or neighbourhood planners for them to be met in full, either within or outside the Neighbourhood Plan area, though there are tools available to neighbourhood planners that can help ensure that need is met to a greater extent if resources permit.
91. These include using community development orders, developing community land trusts, and identifying affordable housing exception sites. Despite the limitations applying to neighbourhood plan-level affordable housing policy, in

cases where the demand-side evidence shows a high level of affordable housing need, a neighbourhood plan can be an ideal means of promoting an affordable housing exception site. Note that the separate question of the precise location for the exception site is a matter for the supply-side evidence base, i.e. the Site Assessment process.

92. Entry-level exception sites are defined as sites that provide entry-level homes suitable for first time buyers (or equivalent, for those looking to rent), and are particularly suitable for neighbourhood plan areas where there is evidence of a high level of younger people who are not able to afford homes on the open market.
93. It is also important to remember that even after the Bingley, or indeed any other, Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, its allocation to those in need and the management of the housing waiting list all remain the responsibility of the local authority rather than neighbourhood planners.
94. In this sense, it must be acknowledged that neighbourhood plans are by their nature relatively constrained in terms of the extent to which they can meet affordable housing need, unless there is a specific policy on the housing supply-side (e.g. the identification of one or more housing exception sites over and above those required by the Local Plan).

4.4.6 Tenure split within Affordable Housing

95. In terms of the most appropriate mix of tenures within Affordable Housing, it is important to reference Bradford's affordable housing policy. The most up to date evidence base is the Bradford SHMA 2019, which the Bradford Core strategy review housing policies are based upon and therefore we have reviewed this SHMA.
96. The Bradford SHMA 2019 document indicates that an appropriate tenure split for Bradford District would be around 65% social/affordable rented and 35% intermediate tenure. The document also provides further detail into the affordable tenure split needed in each sub area. For the Bingley and Shipley sub-area this the SHMA estimate indicates a split between 82.7% of affordable homes to be either social or affordable rent and the remaining 17.3% should be for intermediate affordable housing tenures. However, the SHMA figures do not include a full estimate of the need for affordable home ownership. AECOM's estimate suggests there is substantial potential demand, though most of these households are currently adequately accommodated in the PRS. The extent to which affordable housing policy in the Local Plan makes provision for this group will depend on the SHMA evidence and wider policy considerations.
97. In Table 4-7 below, AECOM provide an indicative tenure split for Bingley. This is a judgement based on the available SHMA evidence, AECOM's analysis and existing and emerging Local Plan policies. On balance, it is recommended that Bingley retains the existing Local Plan tenure split of 65% rented and 35% affordable home ownership products. The reason for this recommendation is as follows:
 - The Local Plan policy prioritises the provision of social/affordable rent. Across the District there are sound reasons for this approach. Households needing social/affordable rent have little other choice and have the most urgent housing needs. This group includes homeless households and families living in temporary accommodation. Social/affordable rented housing meets the need of households on the lowest incomes. It is likely to be the priority for affordable housing delivery in Bradford as a whole.
 - The evidence in this HNA suggests that the need (or demand) for affordable home ownership is substantial, but the need for affordable rented homes still exceeds what is likely to be delivered through new development. Declining affordability of home ownership in recent years has resulted in more households living for longer in the PRS when they would prefer to buy their own home. These factors would support some shift towards the provision of affordable home ownership products locally but the priority is likely to remain the delivery of rented homes.
 - Bingley has a smaller proportion of social/affordable rented homes in its stock compared to Bradford as a whole and England. There is some justification in pursuing a policy that aims to boost the supply of this tenure to improve access to housing for those on the lowest incomes.
98. However, the precise mix of affordable homes at the site specific level will be influenced by factors other than the scale of need. The mix will be influenced by viability considerations, the views of Registered, the existing stock mix and other policy objectives. It is important to state that the estimates of need in this HNA or elsewhere do not directly determine affordable housing policies because of these wider policy considerations.
99. AECOM has made suggestions for the split of different products within the tenure split, though this should be considered indicative as it will be subject to wider considerations of costs, viability and the availability of funding for particular products.

100. The majority of affordable home ownership is best developed as shared ownership as this would appear to extend home ownership furthest. However, new discounted market sale products could provide additional choice to local residents.
101. Where there are plans or proposals to develop discounted market sale homes care will need to be taken to ensure these offer a substantial discount compared to current market prices otherwise they will not be affordable to those on median and lower income households. Whilst it is evident that starter homes may not be affordable to those on the lowest household incomes, the Bradford SHMA 2019 notes that there is significant interest in this housing tenure. Amongst newly forming households in particular, 78.8% expressed their interest in buying starter homes, compared to just 33.5% who are interested in shared ownership tenures. Whilst affordability considerations might point to the need for shared ownership rather than Starter Homes (or other discounted market sale products), the significant interest in these products from local residents merits their inclusion in the indicative tenure split in Table 4-7.
102. Where the neighbourhood planners wish to develop policy that changes this split, it is important that they liaise with the LPA to gather more detailed income and viability information, and to ensure that departures from the district-level policy context have the LPA's support. Another option is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-size circumstances in addition to this evidence.

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

Routes to home ownership, of which	35%
Discounted market sale homes (including Starter Homes)	15%
Shared ownership	20%
Affordable Housing for rent, of which	65%
Social rent	35%
Affordable rent	30%

Source: AECOM calculations

103. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development¹⁸ be available for affordable home ownership. As the SHMA and our affordability analysis suggest, there is a case to provide more than this within the NA. As Figure 4-2 shows, shared ownership at 25% is the most affordable form of intermediate tenure and is affordable to those on the lowest household incomes. It should be noted, however, that the recommendation here for shared ownership at 25% share is only an indication of what would serve the community best, and its deliverability will depend on viability and what providers are able to deliver. The precise ownership share to be offered is not something that it is in the power of neighbourhood planning policies to enforce.
104. 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. The findings in this chapter suggest these products could extend home ownership to households currently unable to buy, particularly when provided as shared ownership. It is important to keep in mind that delivery of these products may reduce the number of rented homes that can be provided, though there may be other policy reasons for expanding affordable home ownership (eg ability to cross subsidise other tenures or the ability to attract or retain younger households).
105. Shared ownership is recommended as the primary affordable route to home ownership because it is the tenure that extends home ownership to the widest group, including some households who are unable to afford private rents in the NA. There are a number of points to bear in mind:
- Despite being introduced back in the 1970s, shared ownership has only recently become mainstream. Partly because the affordability of home ownership has declined sharply in recent years and partly because Government has supported the provision of these homes through funding to housing associations.

¹⁸ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

- Shared ownership is particularly known for being an affordable option for those seeking to get on the housing ladder such as newly forming households and families. It is popular due to the increased choice, control and security it offers in comparison to other tenures. Housing for new households and families is priority for Bingley and so this should be considered as an option for the NA.
- However, it should be noted that there are some issues with shared ownership which should be borne in mind. For example, buyers still have to pay service charges which are not fixed and can increase unpredictably. Buyers are also responsible for the maintenance of the property, however small their share in the property. Staircasing can also be costly, given that the purchase of the additional share will rise as market values rise. Furthermore, the discount attained through renting the remaining share can in certain locations be similar to the difference in price between a new build and existing dwelling, meaning that a new shared ownership dwelling is often no more affordable than an existing dwelling offered for market sale.

4.5 Conclusions- Tenure and Affordability

106. In common with the district and national level, the vast majority of households in Bingley are owner-occupiers. This is followed by the private rented sector, and the social rented sector, both of which exhibit lower proportions than seen at district and national level.
107. The largest change in the NA between 2001 and 2011 was seen in private rented accommodation, a substantial increase of 231.8%, with a lesser but still significant 130.8% increase experienced in the wider District. Shared ownership also increased by 91.3% (from a low base), whilst this tenure declined in the wider District by -6.7% (against the national trend that has seen shared ownership increase by 30%). Total ownership also grew in the NA, at rates significantly higher than seen across other geographies.
108. House prices have grown significantly for all house types, with the exception of flats which price declined by -10.1%. Nevertheless, the largest increase was that of semi-detached homes which increased by 29.9%, followed by detached homes at 20.6% and terraced homes by 15.4%.
109. The average net annual household income before housing costs (equalised) across MSOA E02002192 and E02002197 in 2015/16 was £30,150, while the average total annual income – usually taken into consideration by mortgage lenders – was £40,850.¹⁹ Bradford's gross LQ annual income for 2018 (assumed to be representative of LQ incomes in Bingley) was £19,018 per year – around half the level of average incomes.
110. The income required to buy an average market home for sale (i.e. the PT) is higher than that available to those on median household incomes. An entry-level home for sale is likely to be accessible to those on median incomes but unaffordable to those on lower quartile household incomes.
111. There are substantial numbers of households who are unable to afford to rent or buy within Bingley. The SHMA (when pro rated to Bingley) identifies the need for 71 homes per annum to meet affordable housing need (largely rented homes) in the NA. However, the SHMA assumes the backlog of current households in need will be housed within 5 years which means the figure of 71 per annum would only apply to the first 5 years with need falling to much lower levels in subsequent years. If the backlog is addressed over the plan period rather than a 5 year period the total would fall to 18.4 per annum. AECOM estimate that there are additional households who may need affordable home ownership products within Bingley. However, this should be considered as potential demand for these products as most are adequately housed in the PRS.
112. It is recommended that for Bingley around 65% should be affordable housing for rent tenures, with the majority of this provided as social rented accommodation because it is most affordable to those on the lowest incomes. The remaining 35% of affordable housing delivered should be affordable home ownership products. The majority of this should be delivered as shared ownership as it is capable of extending home ownership to more households. However, there is significant local interest in other products and these could also widen choices available to local residents.

¹⁹ 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.

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

113. The Bingley Neighbourhood Plan will need to include policies informed by evidence on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people at all stages of life options within the housing market.
114. 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, it is useful first to consider the type and size of the existing housing stock in Bingley. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type will be estimated. This examines the way different household types currently occupy their dwellings in the LPA, and then applies this to demographic projections for the Neighbourhood Plan area population over the Plan period.

5.2 Existing types and sizes

5.2.1 Background and definitions

115. Before considering 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.
116. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture than demographics, household type and size would suggest for future years.
117. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' can be translated as follows²⁰:
- 1 room = bedsit
 - 2 rooms = flat/house with one bedroom and a reception room/kitchen
 - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
 - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
 - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
 - 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
 - 7+ rooms = house with 4 or more bedrooms
118. 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.²¹ As such, all dwellings are classified into either "shared" or "unshared" dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.
119. 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

²⁰ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

²¹ At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

*address who share cooking facilities and share a living room or sitting room or dining area.*²² 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

120. The 2011 Census shows that there were 10,730 households in Bingley, living in 2,198 detached houses, 3,364 semi-detached, 2,867 terraced houses, and 2,284 flats. Compared with the LPA, Bingley is characterised by a significantly higher proportion of detached homes and flats. Meanwhile there is a slightly lower proportion of terraced homes in the NA compared to the wider District (see Table 5-1 below).

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

Dwelling type		Bingley	Bradford	England
Whole house or bungalow	Detached	20.5%	14.0%	22.4%
	Semi-detached	31.4%	35.7%	31.2%
	Terraced	26.7%	34.5%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	18.3%	12.7%	16.4%
	Parts of a converted or shared house	2.1%	2.1%	3.8%
	In commercial building	0.9%	1.0%	1.0%

Source: ONS 2011, AECOM Calculations

5.2.3 Dwelling size

121. Table 5-2 below sets out the distribution of the number of rooms by household space. The housing stock in Bingley is characterised by generally large dwellings, with high proportions of properties with 3 to 6 rooms. This theme is broadly reflected at the LA level.
122. It is also evident that the distribution of the number of rooms per space in Bingley is similar to that of the wider District.

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

Number of Rooms	2011 Bingley	2011 Bradford
1 Room	0.4%	0.7%
2 Rooms	2.2%	2.8%
3 Rooms	12.4%	10.3%
4 Rooms	18.3%	20.1%
5 Rooms	21.4%	26.4%
6 Rooms	18.8%	18.6%
7 Rooms	11.0%	9.7%
8 Rooms or more	7.8%	6.0%
9 Rooms or more	7.6%	5.4%

Source: ONS 2011, AECOM Calculations

123. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. There are some significant changes observable in the 2011 Census findings. Firstly, smaller homes of 1-3 rooms increased significantly in the NA (between 25.7% and 69%), against a lower increase at the LA level for homes

²² Ibid.

of 1-3 rooms. This would likely reflect the development of new flats in the area or conversion of existing larger properties into flats.

124. Dwellings of 8 rooms or more also increased in both the NA and District by 39.6% and 38% respectively. Dwellings of 7 rooms also increased by 16.4% in the NA and 23.2% in the District. This can be an indication of households building extensions to their homes as well as new build supply.

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

Number of Rooms	Bingley	Bradford	England
1 Room	25.7%	21.3%	-5.2%
2 Rooms	36.5%	33.1%	24.2%
3 Rooms	69.0%	22.0%	20.4%
4 Rooms	9.2%	2.1%	3.5%
5 Rooms	6.8%	4.1%	-1.8%
6 Rooms	5.0%	2.6%	2.1%
7 Rooms	16.4%	23.2%	17.9%
8 Rooms or more	39.6%	38.0%	29.8%

Source: ONS 2001-2011, AECOM Calculations

125. Returning to the most recent Census data, it is also useful to compare the figures for number of rooms with figures for the number of bedrooms for each household. Table 5-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that at the local, district and national level the majority of homes have 2 or 3 bedrooms. However, Bingley has a slightly higher proportion of dwellings with 4 bedrooms than the District and national average.

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

Bedrooms	Bingley		Bradford		England	
All categories: no. of bedrooms	10,305	100.0%	199,296	100.0%	22,063,368	100.0%
No. bedrooms	28	0.3%	599	0.3%	54,938	0.2%
1 bedroom	1,214	11.8%	23,020	11.6%	2,593,893	11.8%
2 bedrooms	2,820	27.4%	54,221	27.2%	6,145,083	27.9%
3 bedrooms	3,941	38.2%	80,836	40.6%	9,088,213	41.2%
4 bedrooms	1,880	18.2%	30,988	15.5%	3,166,531	14.4%
5 or more bedrooms	422	4.1%	9,632	4.8%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

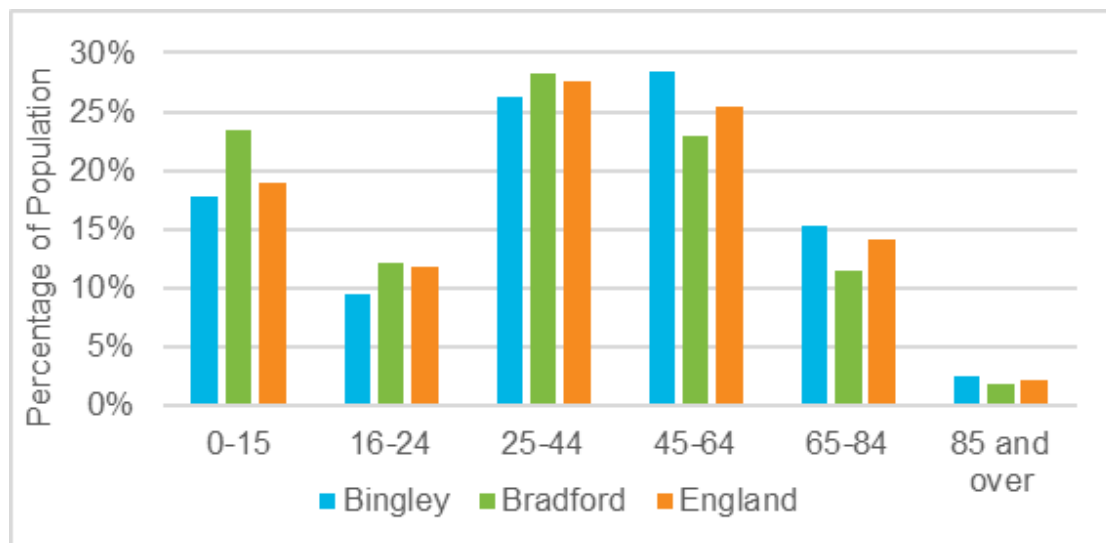
5.3 Household composition and age structure

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

5.3.1 Age structure

127. The 2011 Census data reveals that in line with District and National proportions, Bingley has a high proportion of people aged 25 to 64 (55% in Bingley compared to 51% in Bradford and 53% nationally). Bingley also has a significant younger population aged 24 and under (27%). Although this is significantly lower than the District and national averages of 36% and 31% respectively.

Figure 5-1: Age structure in Bingley, 2011



Source: ONS 2011, AECOM Calculations

128. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 NA population has grown in all categories, with significant growth in the 45-64 and 85+ categories (see Table 5-5 below).
129. Rates of change at the NA level differ significantly from what is seen at district and national levels. There is significantly lower growth in the NA than the wider District in the youngest 0-15 years category (4.7% against 11.9% in the District). There is also slightly lower growth in the 25-44 years category in the NA (9.9% in the NA against 12.6% in the District). However, it is still above the growth in this age group at the national level, suggesting that Bingley is a location which remains attractive to families.
130. For all other categories, growth in the NA is higher than the District. The growth of those ages 45 and over is higher in the NA than the District, which suggest a growing and ageing population. Relatively robust growth in the 16-24 age group could also signal potential for growth in younger households in the NA in future years.
131. Whilst the strongest growth in the population has been amongst the older age groups, Bingley has experienced growth across all age groups so there is a need to consider opportunities to supply dwellings that would be appropriate to the needs and financial capabilities of both young households and downsizing households, such as two- and three-bedroom homes.

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

Age group	Bingley	Bradford	England
0-15	4.7%	11.9%	1.2%
16-24	15.5%	9.1%	17.2%
25-44	9.9%	12.6%	1.4%
45-64	20.8%	17.9%	15.2%
65-84	11.5%	0.7%	9.1%
85 and over	23.7%	15.9%	23.7%

Source: ONS 2001-2011, AECOM Calculations

5.3.2 Household composition

132. Household composition (i.e. the mix of adults and children in a dwelling) is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
133. In assessing Census data on household composition, we see in Table 5-6 below that Bingley is very similar to the LPA and the national average in that about a third of households are occupied by only one person. In the NA, 62.9% of households consists of one family only, compared to 61.1% in the wider District. A significant proportion of households

consist of one family with dependent children (25.4% in the NA and 29.5% in the District). Overall, there is not a huge disparity between the NA compared to the wider District but there are fewer families with children in Bingley compared to Bradford as a whole, consistent with the analysis of the age of the population.

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

Household composition		Bingley	Bradford	England
One-person household	Total	32.1%	29.6%	30.2%
	Aged 65 and over	14.1%	11.4%	12.4%
	Other	17.9%	18.2%	17.9%
One family only	Total	62.9%	61.1%	61.8%
	All aged 65 and over	8.9%	6.5%	8.1%
	With no children	19.8%	15.8%	17.6%
	With dependent children	25.4%	29.5%	26.5%
	All children Non-Dependent	8.7%	9.2%	9.6%
Other household types	Total	5.1%	9.4%	8.0%

Source: ONS 2011, AECOM Calculations

134. Between 2001 and 2011, the main changes in household composition were a significant increase in the number of one person households, at nearly double the rate seen at the District level, most of which occurred in the under 65 age group (see Table 5-7).
135. Unlike the wider District, there has been positive rates of change in all categories. A key difference between the NA and the District is that whilst the NA has an ageing population, Table 5-7 suggests that the opposite is true in the wider District which is experiencing a decline in households headed by those aged 65 and over.

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

Household type		Percentage change, 2001-2011		
		Bingley	Bradford	England
One-person household	Total	27.7%	13.4%	8.4%
	Aged 65 and over	5.9%	-12.2%	-7.3%
	Other	52.4%	38.6%	22.7%
One family only	Total	11.9%	6.5%	5.4%
	All aged 65 and over	3.7%	-10.9%	-2.0%
	With no children	24.3%	8.0%	7.1%
	With dependent children	9.4%	9.7%	5.0%
	All children non-dependent	3.8%	8.8%	10.6%
Other household types	Total	49.6%	33.3%	28.9%

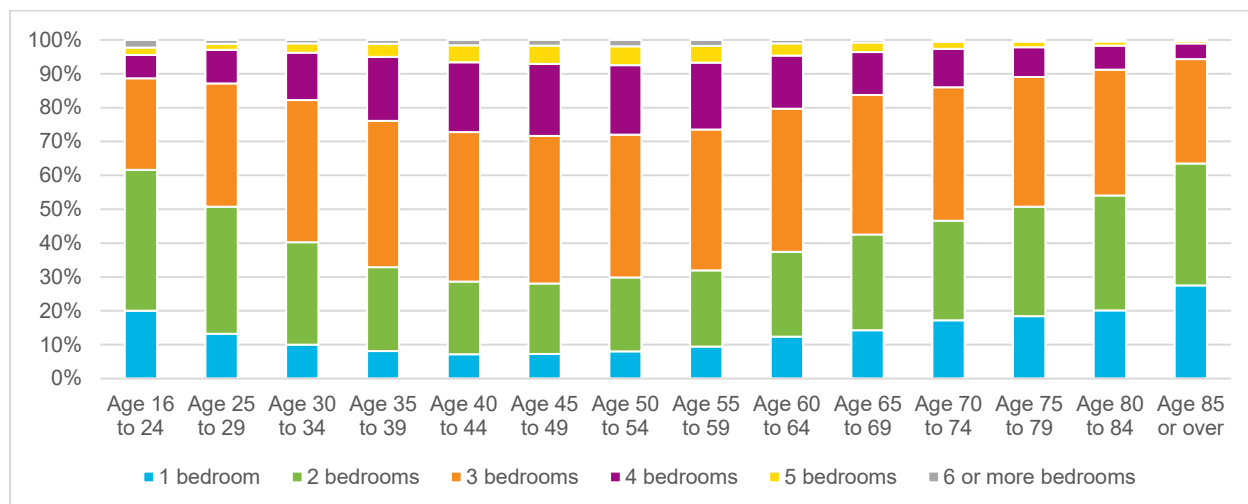
Source: ONS 2001-2011, AECOM Calculations

5.4 Dwelling mix determined by life-stage modelling

136. Households of different ages may have different housing needs. Therefore, to estimate the housing mix needed by the end of the Plan period, the approach used is based on the 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 households aged under 24 will lead to an increase in the need for the type of housing currently occupied by households of that age.

137. However, no data on housing size occupation by age of the Household Reference Person (HRP- another term for 'head of household') is available at neighbourhood level. For this reason, LPA-level data is used as the closest proxy.
138. Figure 5-2 below sets out the relationship in the 2011 Census at LPA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that 3-bedroom dwellings are the most common house size for all age categories between 30 and 85.
139. 2-bedroom properties are far more popular amongst younger age groups (below 30), but this pattern declines into the middle-aged categories, before rising slightly again from age 60 onward where it becomes the most the most popular choice for those aged 85 and above. The popularity of 3 bed, 4 bed and 5 bed properties follows a pattern roughly inverse to that seen for 2 bed and one bed properties, being more popular with middle-aged households.

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



Source: ONS 2011, AECOM Calculations

140. Household projections produced by MHCLG are then used 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, the distribution of households by the age of the HRP for 2030, i.e. the end of the Neighbourhood Plan period is estimated (red in the table). The data is presented in Table 5-8 below.

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

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	7,877	33,030	80,330	32,536	45,523
2014	6,871	30,163	80,255	33,567	51,995
2030	6,287	26,636	81,882	37,683	74,499
2039	5,958	24,652	82,797	39,998	87,157

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

141. It is then necessary to extrapolate from the LPA-level data an estimate of the corresponding change in the age structure of the population in Bingley. To do so, the percentage increase expected for each group across Bradford, derived from the data presented above was mapped to the population of Bingley. The results of this calculation are detailed in

142. Table 5-9 below.

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

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	296	1,439	3,826	1,911	2,833
2014	258	1,314	3,822	1,972	3,236
2030	236	1,160	3,900	2,213	4,636
% change 2011-2030	-20%	-19%	2%	16%	64%

Source: AECOM Calculations

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

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

Size	Age of HRP 16 to 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	20.1%	11.5%	7.7%	10.9%	18.8%
2 bedrooms	41.6%	33.4%	22.2%	23.8%	31.5%
3 bedrooms	27.1%	39.5%	43.3%	41.9%	37.9%
4 bedrooms	6.9%	12.2%	20.3%	17.8%	9.4%
5+ bedrooms	4.4%	3.4%	6.5%	5.7%	2.4%

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

144. Having established the preference shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in Bradford and Bingley falling into each of these stages by the end of the Plan period in 2030, it is possible to recommend how the housing stock could evolve in terms of size over the Neighbourhood Plan period to meet the demand implied by demographic change (see Table 5-11 below).
145. The table takes in turn each projected age group in 2030, estimating how many of the households in that age bracket will want or need to occupy each size of dwelling. By doing so for each age bracket and then adding together the totals for each dwelling size, an estimate of the proportion of different sized dwellings that might be required is produced.

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

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Households 2030	236	1,160	3,900	2,213	4,636	-
1 bedroom	47	133	299	241	873	1,592
2 bedrooms	98	387	867	526	1,460	3,339
3 bedrooms	64	459	1,688	928	1,758	4,895
4 bedrooms	16	142	793	394	435	1,781
5+ bedrooms	10	39	254	125	110	540

Source: Census 2011, AECOM Calculations (Figures in total column may not sum due to rounding)

146. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 5-11 above which models the change in the age structure of the population in Bingley.
147. Table 5-12 below indicates that, by 2030, the size distribution of dwellings should be fairly similar to what currently exists. There should be slightly more 1, 3 and 5+ bedroom homes, roughly the same proportion of 2-bedroom homes and fewer 4-bedroom homes.

Table 5-12: 2011 housing sizes compared to 'ideal' distribution at end of Plan period, Bingley

Number of bedrooms	2011		2030	
1 bedroom	1,214	11.8%	1,592	13.1%
2 bedrooms	2,820	27.4%	3,339	27.5%
3 bedrooms	3,941	38.2%	4,895	40.3%
4 bedrooms	1,880	18.2%	1,781	14.7%
5 or more bedrooms	422	4.1%	540	4.4%
Total households	10,305	100.0%	12,146	100.0%

Source: Census 2011, AECOM Calculations (totals may not sum due to rounding)

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

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

Number of bedrooms	2011	2030	Change to housing mix	Recommended split
1 bedroom	1,214	1,592	378	19.2%
2 bedrooms	2,820	3,339	519	26.3%
3 bedrooms	3,941	4,895	954	48.5%
4 bedrooms	1,880	1,781	-99	0.0%
5 or more bedrooms	422	540	118	6.0%

Source: AECOM Calculations

149. The interim result of the life-stage modelling exercise, therefore, is that to meet the likely housing requirements driven by demographic change, 19.2% of dwellings in new developments should have one bedroom, 26.3% should have two bedrooms, 48.5% should have three bedrooms and 6% should be of five or more bedrooms. It is important to remember that these projections are based on current assumptions about occupancy levels amongst different types of households. This may change over time, for example, due to changes in income and wealth distribution amongst households or changes to house prices and affordability. These factors are key determinants in relation to the type and size that different households occupy as well as life stage.
150. Note that the changes to the housing mix given above for 4-bedroom dwellings are negative numbers. This does not imply that dwellings should be removed from the available stock. The exercise just illustrates how demographic change may affect demand, which may influence the size of properties that are planned for over the Neighbourhood Plan period. In practice 4 bed and larger properties may be considered as one category.
151. Note that only the percentage mix in the right-hand column is relevant to the purposes of this HNA and the neighbourhood planning process. The actual numbers of dwellings required to adjust the size mix do not reflect that actual quantity of housing needed in the NA and are simply a step in the calculation necessary to produce a percentage split. As a general point, this dwelling mix in percentage terms stands alone from the overall quantity of housing needed or allocated over the Plan period, and could equally apply to windfall development, allocations beyond the plan period, or any other source of housing supply.

5.4.1 Adjustment of model results

152. However, it is important to caveat the result of this model, because it is based on past trends and existing supply. Future supply, not just demographic profile, can influence occupancy patterns. For instance, it may be that the construction of

attractive options for older people would encourage some older people to downsize, but in the absence of such accommodation, these older households will remain in larger family sized accommodation. For this reason, it is useful to verify the results with respect to occupancy trends at the national level (England and Wales). This would give the following split (Table 5-14):

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

Number of bedrooms	2018	2030	Change to housing mix	Recommended split
1 bedroom	1,214	1,414	200	9.9%
2 bedrooms	2,820	3,325	505	25.1%
3 bedrooms	3,941	5,139	1,198	59.5%
4 or more bedrooms	2,302	2,320	-34	5.5%

Source: AECOM Calculations

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

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

Number of bedrooms	District-based mix	Nationally-adjusted figure
1 bedroom	19.2%	9.9%
2 bedrooms	26.3%	25.1%
3 bedrooms	48.5%	59.5%
4 or more bedrooms	6.0%	5.5%

Source: AECOM Calculations

154. This recommended split implies that fewer homes should be delivered as 1-bedroom homes with a greater share for 3-bedroom homes. The results for 2- and 4-bedroom homes remain similar in both district-based and nationally-adjusted recommended housing size mixes. As Bradford is an urban District, it is expected that homes will be smaller than the national average. Therefore, it is unsurprising that the district-based mix produces a larger amount of 1-bedroom homes and fewer 3 bedroom homes than the nationally adjusted figure. Moreover, providing more one-bedroom homes will supply smaller family homes for younger households and enable older households to downsize. It is therefore recommended to use the District-based mix rather than the nationally adjusted figure in order to reflect the unique needs of Bingley and the wider District.
155. It is also useful to compare the calculations in Table 5-15 with the Bradford SHMA 2019. The Bradford SHMA 2019 states that the strongest need is for two- and three-bedroom dwellings with continued need for one- and four-bedroom dwellings in Bradford. Bingley is no different, as it is evident from our calculations that the strongest need is for two and three bedrooms dwelling with continued need for one and four-bedroom homes.
156. The Bradford SHMA 2019 also cites results from a 2019 household survey conducted across the Bradford District. One question asked respondents, aged 65 and over, on the restrictions that they face from moving home, if they wish to do so. The main reasons were around affordability (61.6%) and being unable to find a suitable house in the area they would like to move to (51.6%). Nevertheless, of those who wish to move (regardless of ability to do so) almost half (47.7%) wish to move into a 1-2-bedroom bungalow in the Bingley and Shipley sub-area, with 11.2% preferring a 3-bedroom bungalow. Another 31.5% stated their preferences for a 1-2 bedroom flat in the sub-area. Bungalows and smaller flats are the leading choice for those who wish to move and remain in Bingley and are aged 65 and over. It is important that the type and size mix in Bingley reflects the needs of the community and the older population who also wish to live in Bingley.

5.5 Conclusions- Type and Size

157. Compared with the LPA, Bingley is characterised by a significantly higher proportion of detached homes and flats. Meanwhile there is a slightly lower proportion of terraced homes in the NA compared to the wider District. The housing stock in Bingley is characterised by generally large dwellings, with high proportions of properties with 3 to 6 rooms. This theme is broadly reflected at the LA level.
158. The 2011 Census data reveals that in line with District and National proportions, Bingley has a high proportion of people aged 25 to 64 (55% in Bingley compared to 51% in Bradford and 53% nationally). Bingley also has a smaller sized younger population aged 24 and under (27%), significantly lower than the District and national averages of 36% and 31% respectively. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 NA population has grown in all categories, with significant growth in the 45-64 and 85+ categories.
159. The growth of those ages 45 and over is higher in the NA than the District, which suggest a growing and ageing population. Significant growth in the 16-24 age group could also signal a growth in newly forming households in the NA.
160. With regard to housing, this could indicate that there is an insufficient supply of dwellings appropriate to young and newly forming households and that this shortfall should be addressed through new development. Regardless of the reasons that younger households are underrepresented in Bingley – indeed some may move away to access jobs or other reasons rather than the lack of suitable housing – it is important to provide choice within the NA. Improving the range of homes available will also benefit the growing older population, some of whom may wish to move to more suitable accommodation in later life. A neighbourhood household survey could help to clarify some of these issues but there is nevertheless an opportunity to supply dwellings that would be appropriate to the needs and financial capabilities of both young households and downsizing households, such as two- and three-bedroom homes.
161. The NA's comparatively large stock of dwellings, its recent trends towards single occupancy, older households and fewer families with dependent children (all of which can reasonably be expected to persist in future) may warrant a Neighbourhood Plan policy to prioritise the provision of smaller dwellings (2 and 3 bedroom) to some extent.
162. 2-bedroom properties are far more popular amongst the younger households, but this pattern declines into the middle-age, before rising slightly again from age 60 onward where it becomes the most common choice for those aged 85 and above.
163. The recommended house size mix in Bingley is 19.2% of dwellings in new developments should have 1 bedroom, 26.3% should have two bedrooms, 48.5% should have three bedrooms, and the remaining 6% should have at least 4 bedrooms. It is important to keep these figures in perspective. They represent estimates based on demographic modelling but do not take into account other factors such as the nature of the existing stock (in terms of local mix and quality), the sites that are likely to be developed (and what might be an appropriate mix of dwellings given the context), viability matters or the role of the NA in the wider housing market. The latter point is important since although there may be biases in the demographic mix and stock in particular neighbours, this may serve an important function in the wider market area. The LA and neighbourhood group should consider whether any biases or misalignments are problematic and need addressing or whether they reflect a housing market that is functioning on a wider scale. Nevertheless, it is usually a good objective to promote greater choice in the type and size of housing available at the neighbourhood level and this analysis provides some guidance for doing so.

6. RQ 3: Specialist housing for older people

RQ 3: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

A.1 Introduction

164. This chapter considers in detail the specialist housing needs for older and disabled people in Bingley. It considers the quantity, tenure and size of dwellings that might be required.
165. In the Planning Practice Guidance (PPG), the Government states that plans need to provide for specialist housing for older people where a need exists. Innovative and diverse housing models will need to be considered where appropriate.²³
166. It is important to note that, as stated in the PPG, the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the overall (i.e. the total) housing need figure. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method.²⁴
167. It is appropriate to consider the need for specialist housing for older aged 75+ since this is the age at which the need for care and support generally increases. The needs of this sector of the population have been 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) tool²⁵, which is based on best practice nationally and sets a recommended level of provision per 1,000 of the population aged 75 and over.
168. Housing needs assessment covers the need for houses that fall for the purposes of the planning system into Use Class C3 (private dwellings)²⁶. Any assessment of need for residences that fall into Use Class C2 (residential institutions, which include prisons, boarding schools and some care homes for the elderly) would be a separate exercise outside the scope of a standard HNA. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. In some cases, residential homes, particularly those where independent living is emphasised and care provision is more limited, will be counted as C3. However, in other cases, particularly where care provision is higher, they will be counted as C2. There is no hard and fast rule- clear differentiation between the two has not been set in government policy.
169. As such, existing and future specialist housing for older people may be either C2 or C3, but the important point is that it is not possible to state definitively at the time of assessment whether any new provision forecast to be needed on the basis of current evidence will fall into use class C2 or C3. The distinction is important because accommodation in C2 buildings does not count towards the overall housing target for the neighbourhood plan areas whereas C3 accommodation units do. Therefore, it is not possible to state at this point the extent of overlap, if any, between the overall quantity of specialist housing forecast to be required and the overall housing quantity figure for the plan area.

A.2 Housing for Older People - Context

170. MHCLG's guidance on housing for older and disabled people states that the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million. Offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an

²³ See Paragraph: 012 Reference ID: 63-012-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

²⁴ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

²⁵ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

²⁶ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

understanding of how the ageing population affects housing needs is something to be considered from the early stages of plan-making through to decision-taking.²⁷

171. Disabilities can include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs, which may generate a range of housing requirements which can change over time. Unsuitable or un-adapted housing can have a negative impact on disabled people and their carers. An ageing population will see the numbers of disabled people continuing to increase, and it is important to plan early to meet their needs throughout their lifetime.
172. 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 0 for definitions).
173. Between 1974 and 2015, the population aged 65 and over in England grew 47% and the population aged 75 and over grew by 89%.²⁸ 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.²⁹
174. 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.³⁰ However, in spite of evidence of high demand, currently only 5% of older people’s housing is made up of specialist homes,³¹ with Demos suggesting that “the chronic under-supply of appropriate housing for older people is the UK’s next housing crisis”,³² and local authorities often “accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs”.³³ Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately do is low, and many who downsize may move into mainstream housing, for example market sale bungalows.
175. 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 the private sector and the rest provided at social rent levels.³⁴ 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.
176. Local planning authorities can plan for senior co-housing communities through their implementation of the Self-build and custom-build legislation 2015³⁵, as some communities will be looking to build the development themselves. Local authorities can also identify sites suitable for older co-housing communities as part of their overall assessment of land available for housing over the plan period.³⁶
177. Given that the vast majority of people over 75 live in their own homes, but that the current stock of specialist accommodation 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.

A.3 Approach

178. In accordance with NPPF guidance, this chapter applies a three stage process to determine the potential incidence of need for specialist housing for older people, 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.³⁷ These are then

²⁷ Available at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

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

²⁹ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³⁰ Ibid.

³¹ https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

³² <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

³³ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

³⁴ 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

³⁵ <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

³⁶ See Paragraph: 011 Reference ID: 63-011-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

³⁷ <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

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 Bradford.

179. Clearly, this calculation represents an assumption, with the actual decision for an older or disabled person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of older 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 continue to live in their own homes for their whole lives.
180. The charity Age UK suggests that *"inaccessible housing should not force anyone out of their home or local community against their wishes. That it is much better to have 'pull factors' that attract older people towards housing alternatives."*³⁸ The tenure of properties available is a key factor in the extent to which older people will wish to move in later life.

i) Current Supply of Specialist Housing for Older People

181. When determining estimates for the need for specialist dwellings, it is necessary to take account of current supply. There are a number of ways to do this. Data may be available within Bradford'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 Counsel's Website: <http://www.housingcare.org>.
182. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.³⁹ 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)⁴⁰. However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this HNA. Having said this, the existing provision of such institutional accommodation in Bingley is referenced in this report.
183. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Bingley, it identified 0 residents living in care homes with nursing and 94 in care homes without nursing (i.e residential care homes).⁴¹
184. Given that communal establishments are generally outside the scope of housing needs assessments for the reasons described above, these are excluded from the analysis, and the remaining specialist housing for older people, which should be within use class C3 and thus within the scope of this assessment, is presented in

³⁸ See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

³⁹ 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>

⁴⁰ See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

⁴¹ ONS, 2011 (KS405EW)

185. Table **6-1** below. This gives an approximate total of **578** specialist dwellings (or bed spaces), for a 2011 population aged 75+ of **2,046**. This suggests the actual rate of provision in Bingley is approximately 281 dwellings per 1000 population aged 75+.
186. Figures with an asterisk in

187. Table 6-1 are approximate figures due to a lack of accurate data.

Table 6-1: Existing specialist housing for older people (use class C3 only) in Bingley

	Name	Description	Bed spaces	Tenure	Type
1	Manor Court	39 flats. Built in 1979. Sizes studio, 1 bedroom	39	Social landlord	Retirement housing
2	Butterfield Homes	6 Single bedroom cottages	6	Social landlord	Age exclusive housing
3	Spring Meadow	10 flats, bungalows. Built in 2008. Sizes 2 bedroom	20	Shared Ownership	Age exclusive housing
4	Ashfield Court	24 flats. Built in 1962. Sizes 1 bedroom	24	Social landlord	Retirement housing
5	Aire Valley Court	65 flats. Built in 2003. Sizes 1 bedroom, 2 bedrooms	81*	Leasehold	Enhanced sheltered housing
6	Sutton Court	63 flats. Built in 2002. Sizes 1 bedroom	63	Leasehold	Retirement housing
7	Maple Court	54 flats. Built in 1981. Sizes studio, 1 bedroom	54*	Social landlord	Retirement housing
8	Crossflatts	86 flats. Built in 1979. Sizes 1 bedroom, 2 bedrooms	129*	Social landlord	Retirement housing
9	Falkland Court	67 flats. Sizes studio, 1 bedroom. Includes mobility standard properties	67	Social landlord	Retirement housing
10	Fern House	49 flats. Built in 2017. Sizes 1 bedroom, 2 bedrooms	63	Social landlord	Extra care housing, Close care housing
11	River Walk	16 flats. Sizes 2 bedroom	32	Leasehold	Age exclusive housing
Total Bed spaces			578		

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

ii) Tenure-Led Projections

188. Turning to estimating future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Bradford, 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 more likely to demand 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.
189. 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.
190. According to Table 6-2 below, 52.1% of dwellings in Bingley in the 55-75 age group are owned outright and 23.4% are owned with a mortgage or loan or shared ownership. 24.5% of dwellings are rented in Bingley and a significant 15.7% of all dwellings are socially rented.

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

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
75.5%	52.1%	23.4%	24.5%	15.7%	7.6%	1.2%

Source: Census 2011

191. The next step is to project how the overall number of older people in Bingley is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Bradford 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 below.

192. This calculation indicates that by 2030 there will be 24,075 residents in Bingley, an increase of 1,014 residents. Our calculations also show that the majority of this increase is likely to be those aged 75 and over, because 829 additional residents will be aged 75 and over in 2030.

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

Age group	2011		2030	
	Bingley (Census)	Bradford (Census)	Bingley (AECOM Calculation)	Bradford (ONS SNPP 2014)
All ages	23,061	522,452	24,075	545,419
75+	2,046	33,904	2,875	47,646
%	8.9%	6.5%	11.9%	8.7%

Source: ONS SNPP 2016, AECOM Calculations

193. The results of this exercise provide us with a projection of the number of people in Bingley living in each tenure in the 55-75 cohort by 2011, as shown in the table 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 Bradford presented in Table 6-2 above, and is set out in Table 6-4 below.
194. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2030, 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.
195. 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.

Table 6-4: Projected tenure of households aged 75+ in Bingley 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 rent free
626	432	194	203	130	63	10

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

196. Next, we consider the incidence of mobility limitations, as defined by the Census, within each tenure group for those aged 65+ in Bingley. 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).
197. 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 6-5: Tenure and mobility limitations of those aged 65+ in Bingley, 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	4,050	820	20.2%	1,068	26.4%	2,162	53.4%
<i>Owned or shared ownership: Total</i>	3,259	526	16.1%	871	26.7%	1,862	57.1%
Owned: Owned outright	2,859	457	16.0%	764	26.7%	1,638	57.3%
Owned: Owned with a mortgage or loan or shared ownership	400	69	17.3%	107	26.8%	224	56.0%
<i>Rented or living rent free: Total</i>	791	294	37.2%	197	24.9%	300	37.9%
Rented: Social rented	551	212	38.5%	152	27.6%	187	33.9%
Rented: Private rented or living rent free	240	82	34.2%	45	18.8%	113	47.1%

Source: ONS, Census 2011, DC3408EW Health status

198. Focusing on those whose activities are limited a lot, the calculations suggest that of the 791 renters and 3,259 owners in Bingley in this age group, there could be a need for 350 specialist homes for owner occupiers ($16.1\% \times 2,170$) and 262 for renters of all kinds ($37.2\% \times 705$).
199. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of support or additional services.

Table 6-6: AECOM estimate of specialist housing need in Bingley 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 (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) housing by the percent in that tenure who have day to day activity limitations limited a lot. 75	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a lot. 101	177
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent who have day to day activity limitations limited a little. 51	Multiply the number of people across all owned housing by the percent in that tenure who have day to day activity limitations limited a little. 167	218
Total	126	268	394

Source: Census 2011, AECOM Calculations (rounded to nearest whole number; figures may not sum due to rounding)

200. The number of households falling into potential need for specialist accommodation is therefore 394, which is 6.86% of the 5,751 households in total aged 75 and above projected to live in Bingley by the end of the Plan period.

iii) Housing LIN-Recommended Provision

201. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the Government's recommended models for planning for the needs of older people. Table 6-7 reproduces the key table from the Strategic Housing for Older People (SHOP) toolkit. The table 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 6-7: Recommended provision of specialist housing for older people from the SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

202. As we have seen in Table 6-3, Bingley is forecast to have an over-75 population of 2,875 by the end of the Plan period, an estimated increase of 829 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 = $60 \times (829/1000) = 50$
- Leasehold sheltered housing = $120 \times (829/1000) = 100$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times (829/1000) = 17$
- Extra care housing for rent = $15 \times (829/1000) = 12$
- Extra care housing for sale = $30 \times (829/1000) = 25$
- Housing based provision for dementia = $6 \times (829/1000) = 5$

203. This produces an overall total of 208 specialist dwellings.

204.

205. Table 6-8 below sets out the HLIN recommendations in the same format as Table 6-6 above.

Table 6-8: HLIN estimate of specialist housing need in Bingley 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 26	Includes: enhanced sheltered housing for sale + extra care housing for sale 33	59
Sheltered housing	Conventional sheltered housing for rent 50	Leasehold sheltered housing 100	149
Total	75	133	208

Source: Housing LIN, AECOM calculations (rounded to nearest whole number; figures may not sum due to rounding)

A.4 SHMA findings

206. The Bradford SHMA 2019 conducted a household survey in 2019 which gathered the preferences of those over the age of 65 with regard to their housing preferences. The results show that in the Bingley and Shipley sub-area (which covers the NA) 26.7% wish to stay in sheltered accommodation for rent and 23.8% wish to buy a sheltered accommodation, with 14.4% also stating preference for shared ownership sheltered accommodations. With regard to extra care housing 16.5% stated their preference to rent, 17.7% wish to buy and 11.3% prefer shared ownership.
207. It is not possible to compare the results of the Bradford SHMA 2019 household survey with our own calculations due to the methodology used in the household survey which meant respondents could choose more than one preference and therefore it is not clear the precise need for each type of specialist housing need. Nevertheless, the results show that demand to buy specialist homes in all categories may be higher than the actual need in this report's calculations suggest. The results also show that demand for shared ownership homes may be higher and this may provide an alternative yet affordable route to specialist home ownership for some older households.
208. The Bradford SHMA 2019 also states that only 46.4% of over 65's who live in the Bingley and Shipley sub area (which covers the NA) wish to remain in the area. A further 29.9% want to live out of the District and 20.3% wish to live in Wharfedale. Considering only 3.4% wish to live in the city central sub area. It is important that BTC further investigate the barriers that exist in preventing over 65's from wishing to stay in the neighbourhood area.

A.5 Conclusions- Specialist Housing for Older People

209. 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 limited 'a little' in Table 6-6 with 'sheltered housing' in

210. Table 6-8, 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.
211. A more realistic estimate, therefore, can be achieved by comparing the 394 dwellings identified in the tenure-led approach for those who require housing with care with the 208 specialist dwellings that emerge from the HLIN calculations. By contrast, the 394 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.
212. For this reason, our recommendation would be to treat these estimates as a range, with around 200 specialist dwellings being required to service the needs of older people over the Plan period, though there might be demand for up to 400 if attractive options can be provided and other constraints allow. These estimates should be treated with caution as the need or demand for this type of accommodation is inherently tied to LA policies on the provision of care and support. Many local authorities aim to support older people (and other vulnerable people) in their own homes for as long as possible. If these strategies are successful, they may reduce the requirement for specialist housing with care or support.
213. 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 Bingley and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.
214. When planning for future specialist housing provision care should be taken to provide an overall balance between extra care and sheltered accommodation and affordable market tenures. From the profile of existing stock presented in

215. Table 6-1 it is clear that there is a moderately higher share of units offered as social housing. This should be taken into account when creating policies on specialist housing to ensure a balanced specialist housing mix is achieved.
216. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people is provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
217. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
218. It is considered that Bingley is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Bingley in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself.
219. Wherever the specialist housing is accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish move in later life.
220. Given than most older people will live within the mainstream housing stock and may receive care and support in their own homes, the neighbourhood group may wish to consider the extent to which new housing provision is built to accessible and adaptable standards. Increasing the proportion of accessible and adaptable homes within the housing stock, through applying optional building regulations (M4(2) and M4(3)) could play an important part in ensuring the wider housing stock meets the needs of older people.

7. RQ 4: Newly forming households/first-time buyers

RQ 4: What provision should be made in terms of housing for newly forming households/first-time buyers over the Neighbourhood Plan period?

7.1 Introduction

221. The neighbourhood group have asked AECOM to consider the housing needs of newly forming households in Bingley. For the purpose of this HNA, we define newly forming households as those where the Household Reference Person (HRP- a more modern term for 'head of household') is aged between 18 and 35 and is looking to form their own independent household.

7.2 Assessment

222. In order to understand the needs of newly-forming households, the ONS 'Age by Single Year' dataset is examined.⁴² This reveals that there were 4,891 individuals aged between 18 and 35 in the Neighbourhood Plan area in 2011. This represents 21.1 % of the population. These individuals may or may not have formed their own households.

223. Table 7-1 below shows that there is a total of 1,735 households with an HRP aged under 35, or around 16.8% of all 10,305 households in Bingley. To estimate the number of individual residents aged between 18 and 35 this represents, we use the following approach:

- i. Multiply the number of households under 35 by the average household size in the Neighbourhood Plan area (2.24 individuals per household), which results in 3,886 individuals. ($1735 * 2.24 = 3886$)
- ii. We then discount all children (i.e. individuals under the age of 18). As 668 households live with at least one dependent child, we estimated that there were about 3218 young people who have formed their own households, after excluding their children among these households. ($3886 - 668 = 3218$)
- iii. Therefore, among the 4891 individuals who are between 18 and 35, 1673 have not yet formed their own household. ($4891 - 3218 = 1673$)
- iv. This represents 747 households that could potentially be formed (1,673 divided by 2.24).

224. We make the reasonable assumption that those individuals with the potential to form new households who have not yet done so are, in most cases, still living with their parents. They will not yet have formed their own household for many potential reasons, but most likely the absence of suitable affordable tenures.

225. Therefore, around 747 households in Bingley had the potential to form their own household, but had not yet done so, at the time of the last Census in 2011 (7.2 % of the total number of households).

Table 7-1: Households in Bingley with HRP under the age of 35, 2011

Household composition	Number
Age of HRP under 35: One-person household	488
Age of HRP under 35: Two or more-person household: No dependent children	579
Age of HRP under 35: Two or more-person household: With dependent children	668
Age of HRP under 35: Total	1,735

Source: ONS, 2011

226. Once the number of households with potential to form but who have not yet done so have been identified it is possible to estimate the type of tenures they are most likely to occupy. This is done by assessing the tenures of households in the Neighbourhood Plan area where the HRP is aged 24 or younger, as well as those with HRPs aged 25 to 49. The results are set out in Table 7-2 below.

⁴² ONS, Census 2011: QS103EW.

227. The table shows that the most popular form of tenure for those aged 24 and under is rented or living rent free, representing 85.5% of the demographic. Meanwhile, the reverse is true of those aged 25-49, with 67.5% owning their own property, either through mortgage, outright, or shared ownership.
228. Within rented and ownership tenures however, there are some similarities. Both age groups favour ownership with a mortgage or shared ownership over outright ownership, whilst also exhibiting a preference for private rented or rent-free accommodation over social rented.

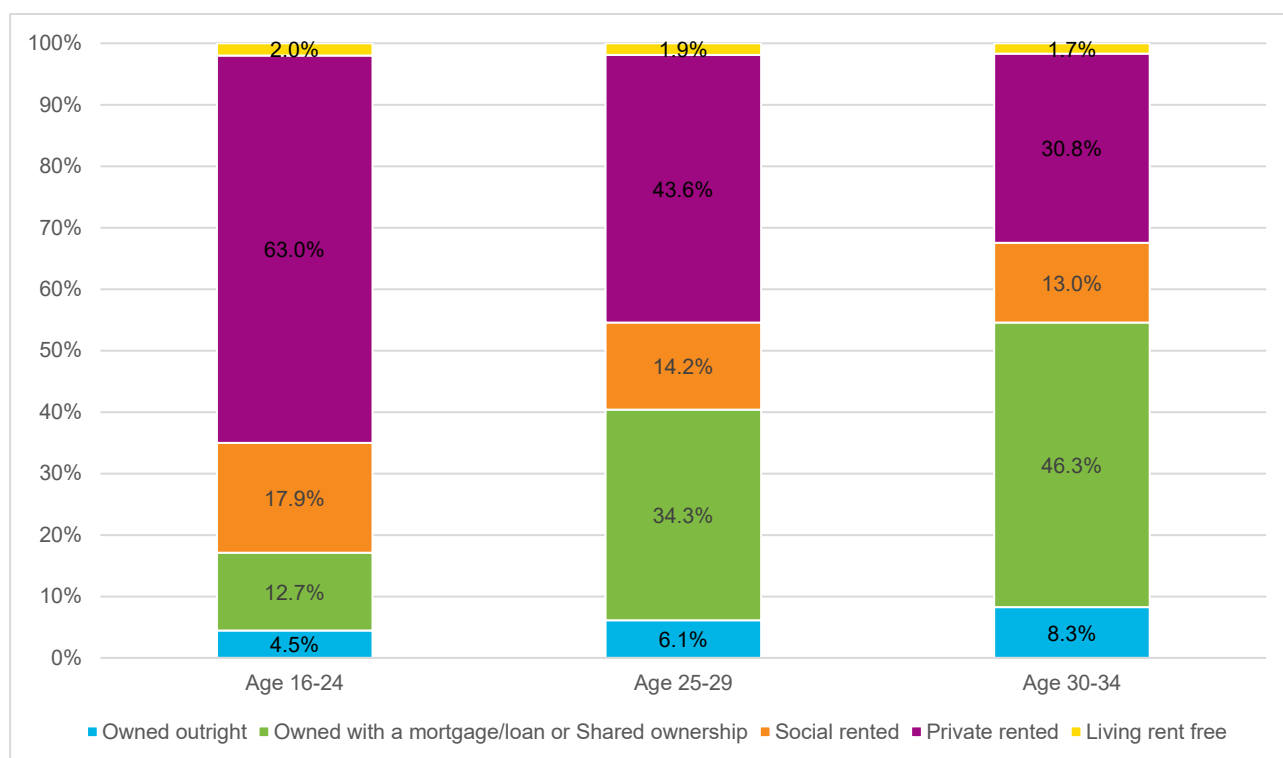
Table 7-2: Tenures occupied by HRP under the age of 50, Bingley, 2011

Tenure	Age 24 and under		Age 25 to 49	
	Number	Percent	Number	Percent
All categories: Tenure	296	100.0%	4,251	100.0%
<i>Owned or shared ownership: Total</i>	42	14.2%	2,868	67.5%
Owned: Owned outright	7	2.4%	361	8.5%
Owned: Owned with a mortgage or loan or shared ownership	35	11.8%	2,507	59.0%
<i>Rented or living rent free: Total</i>	254	85.8%	1,383	32.5%
Rented: Social rented	54	18.2%	328	7.7%
Rented: Private rented or living rent free	200	67.6%	1,055	24.8%

Source: ONS, 2011

229. The data examined considers the tenure of households with HRPs aged 49 and under as a single group. However, the tenures occupied by different households can vary significantly between these ages.
230. Such data is only available at the level of Bradford. This data, presented in Figure 7-1 below, reveals that there is marked decrease in the occupancy for private rented accommodation in the district, as residents get older. Renting is twice as popular amongst those aged 16-24 as it is for those aged 30-34. Conversely, ownership with a mortgage or shared ownership is almost three times more common amongst those aged 30-34 as it is with those aged 16-24.

Figure 7-1: Tenure by age of HRP, Bradford, 2011



Source: ONS, 2011

7.3 SHMA findings

231. The Bradford SHMA 2019 states that with regard to tenure changes across the District, it is anticipated over the plan period that most growth will be across the owner-occupied sector (74.6%) followed by the affordable sector (21.1%), with the private rented sector only increasing marginally (3.7%). This is due to the changing demography of the district which means there will be fewer households in younger age cohorts who would have tended to live in the private rented sector.
232. Nevertheless, the Bradford SHMA 2019 cites the need to provide good quality 'starter' affordable housing for young families, especially as professionally managed private rented stock is identified as a gap in supply by stakeholders, particularly with reference to accommodation for young and single people.

7.4 Conclusions- Newly-forming households/first-time buyers

233. On the basis of ONS Census 2011 data, around 747 individuals aged under 35 had not formed their own household. This represents around 7.2% new households with the potential to form.
234. Based on the average of the numbers in Table 7-2 and Figure 7-1, an estimated tenure split of new-build homes can be calculated, having regard to the specific tenure needs of newly forming households. It should be noted that this estimated split emphasises the importance to such households of both entry-level market sales (including affordable routes to home ownership) and private rent.
235. The recommended tenures in Table 7-2 also reflect the findings in the Bradford SHMA 2019 which prioritises the need for more affordable and private rented stock for younger people.
236. It is recommended that neighbourhood planners consider promoting these tenures within new housing developments if the policy goal is to ensure that suitable and affordable housing for younger people can be provided within the Neighbourhood Plan area.

Table 7-3: Tenures recommended in Bingley to meet the needs of newly forming households

Tenure	Recommended proportion
Home ownership	3%
Entry-level market sales/intermediate ownership product	12%
Social rent	18%
Private rent	66%

Source: AECOM calculations

8. Conclusions

8.1 Overview

237. Table 8-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

Table 8-1: Summary of study findings specific to Bingley with a potential impact on Neighbourhood Plan housing policies

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	<p>As seen at district and national levels, the vast majority of households in Bingley are owner-occupied. This is followed by the private rented sector, and the social rented sector, both of which exhibit lower proportions than seen at district and national level.</p> <p>The average total annual income was £40,850. Bradford's gross LQ annual income for 2018 was £19,018 per year.</p> <p>There are substantial numbers of households who need affordable housing either to rent or to buy. The level of need exceeds what can be delivered through the Local Plan housing requirement for Bingley.</p>	<p>It will be important to maximise the provision of affordable housing in Bingley to meet the needs of households who cannot afford to rent or buy and to provide suitable housing for newly forming/ younger households.</p> <p>This HNA recommends that Bingley retains the Local Plan tenure split of 65% rented tenures and 35% affordable home ownership products. The priority given to rented tenures reflects objectives at the local authority level, substantial need identified in the NA in the SHMA and the opportunity to widen the choice of affordable housing by providing new products such as discounted market sale homes as well as shared ownership.</p>
Housing type and size	<p>The housing stock in Bingley is characterised by generally large dwellings, with high proportions of properties with 3 to 6 rooms. This theme is broadly reflected at the LA level.</p> <p>The 2011 Census data reveals that in line with District and National proportions, Bingley has a high proportion of people aged 25 to 64 (55% in Bingley compared to 51% in Bradford and 53% nationally). Bingley also has a significant younger population aged 24 and under (27%). Although this is significantly lower than the District and national averages of 36% and 31% respectively. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 NA population has grown in all categories, with significant growth in the 45-64 and 85+ categories.</p>	<p>The recommended house size mix in Bingley is 19.2% of dwellings in new developments should have 1 bedroom, 26.3% should have two bedrooms, 48.5% should have three bedrooms and 6% should be of 4 or more bedrooms. This is an indicative mix based on demographic modelling and should be considered alongside wider policy objectives.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations								
Specialist housing for older people	<p>There are currently 578 specialist dwellings (or bed spaces), for a 2011 population aged 75+ of 2,046. This suggests the actual rate of provision in Bingley is approximately 281 dwellings per 1000 population aged 75+.</p> <p>Our calculations indicate that by 2030 there will be 24,075 residents in Bingley, an increase of 1,014 residents. The majority of this increase is likely to be amongst those aged 75 and over. It is expected that 829 additional residents will be aged 75 and over in 2030.</p>	<p>At least 208 specialist dwellings are required to service the needs of older people over the Plan period, and the estimate of 394 dwellings should function as an upper estimate of need.</p> <p>However, the extent to which these needs are met through new, specialist provision will depend on the LA policy for meeting care and support needs and, in particular, how far these can be met in existing homes.</p>								
Newly-forming households/first-time buyers	<p>On the basis of ONS Census 2011 data, about 1673 individuals below 35 had not formed their own household by that year. This represents around 7.2% new households with the potential to form.</p>	<p>Based on the specific tenure needs of newly forming households and the findings in the Bradford SHMA 2019, an estimated tenure split of new-build homes can be calculated as follows:</p> <table><tr><td>Home ownership</td><td>3%</td></tr><tr><td>Entry-level market sales/intermediate ownership</td><td>12%</td></tr><tr><td>Social rent</td><td>18%</td></tr><tr><td>Private rent</td><td>66%</td></tr></table>	Home ownership	3%	Entry-level market sales/intermediate ownership	12%	Social rent	18%	Private rent	66%
Home ownership	3%									
Entry-level market sales/intermediate ownership	12%									
Social rent	18%									
Private rent	66%									

8.2 Recommendations for next steps

238. This Neighbourhood Plan housing needs assessment aims to provide Bingley 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 Bradford Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular the following: Condition A, namely that the Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of Bradford Council – 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 Bradford, 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 Bradford and the neighbourhood plan areas within it.

239. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.

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

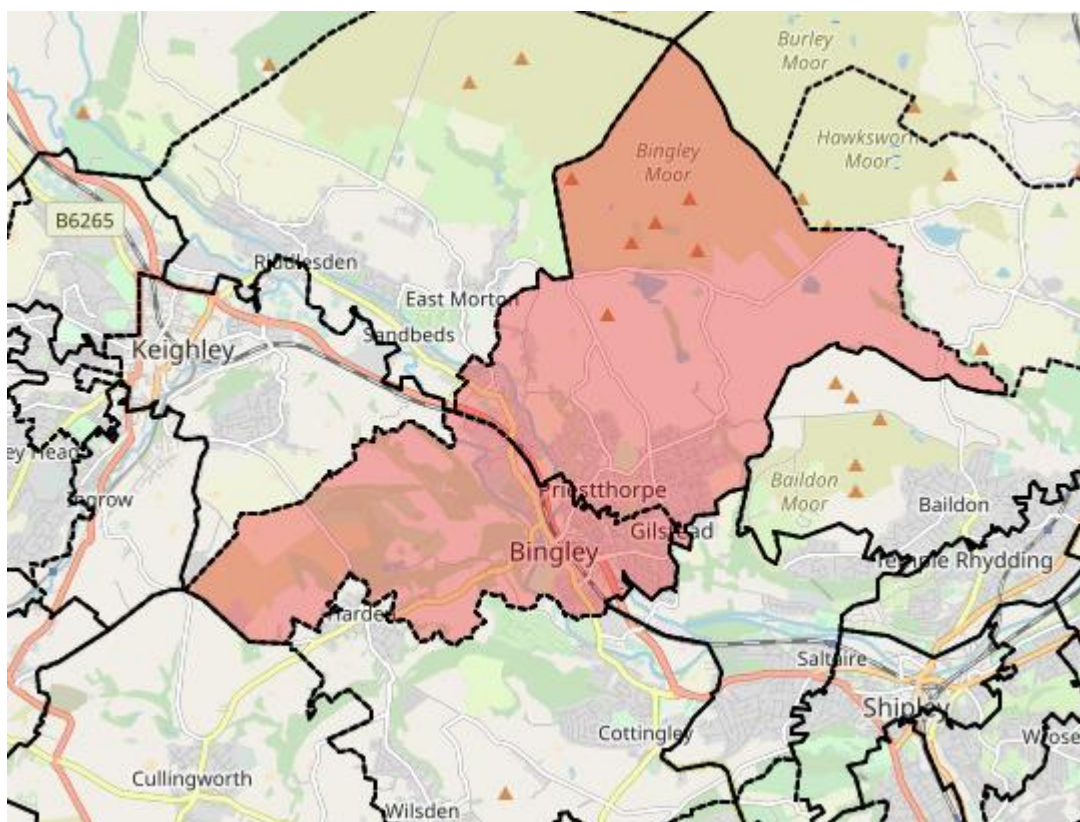
241. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

242. 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.
243. 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 Bingley, it is considered that MSOA E02002192 and E02002197 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 MSOA E02002192 and E02002197 appears below in Figure 8-1. These MSOAs were chosen as they contain the majority of the Neighbourhood Plan area population. Whilst these MSOAs do not cover the entire NA, any further MSOAs added to our analysis may have skewed the results and therefore these were omitted.

Figure 8-1: MSOA E02002192 and E02002197 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS (black borders denote MSOA boundaries)

A.2 Market housing

244. 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.
245. 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.
246. 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.

247. 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

248. 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 income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.

249. 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 Bingley. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.

250. The calculation is therefore:

- Value of an 'entry level dwelling'⁴³ = £120,250;
- Purchase deposit = £12,025 @10% of value;
- Value of dwelling for mortgage purposes = £108,225;
- Loan to income ratio = 3.5 of value of mortgage;
- **Purchase threshold = £30,921.**

ii) Private Rented Sector (PRS)

251. 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.

252. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,⁴⁴ such a home would require three habitable rooms (a flat or house with two bedrooms).

253. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the BD16 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.

254. According to [home.co.uk](https://www.home.co.uk), there are 26 two-bed properties currently listed for rent across Bingley, with an average price of £6,864 per calendar month.

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

- Annual rent = £572 x 12 = £6,864;
- Multiplied by 4 = £27,456;
- **Income threshold (private rental sector) = £27,456.**

256. 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.

⁴³ 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Neighbourhood Plan area, as set out in the Tenure and Affordability chapter above.

⁴⁴ 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

A.3 Affordable Housing

257. 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.
258. 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.
259. 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.
260. 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.
261. 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

262. 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.
263. 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 Bingley. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Bradford in the table below.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£69	£79	£89	£104	£79
Annual average	£3,599	£4,091	£4,630	£5,403	£4,101
Income needed	£14,396	£16,363	£18,520	£21,613	£16,405

Source: Homes England, AECOM Calculations

ii) Affordable rent

264. Affordable rent is controlled at no more than 80% of the local market rent; as we have seen, the annual entry-level rent in Bingley is £6,824. In the event of a 20% reduction in rent to £5,491, the income threshold would reduce to an estimated £21,965.

iii) Intermediate tenures

265. 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

266. 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".

267. 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.
268. 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.
269. 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.
270. To provide a conservative assessment of the suitability of discounted market sale homes, it is appropriate to apply the value we have estimated for an entry-level dwelling, namely £120,250.
271. Applying a discount of 20% provides an approximate selling price of £96,200. Allowing for a 10% deposit further reduces the value of the property to £86,580. The income threshold at a multiple of 3.5 is **£24,737**.

Shared ownership

272. 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.
273. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
274. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £120,250.⁴⁵ The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 25% of the income on rent (as for the income threshold for the private rental sector).
275. A 25% equity share of £120,250 is £30,063, from which a 10% deposit of £3,006 is deducted. The mortgage value of £27,056 (£30,063 - £3,006) is then divided by 3.5. To secure a mortgage of £27,056, an annual income of £7,730 (£27,056/3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £90,188. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £2,255 and requires an income of £9,019. Therefore, an income of around **£16,749** (£7,730 + £9,019) is required to afford a 25% shared equity purchase of an entry-level house with annual rent.
276. A 50% equity share of £120,250 is £60,125, from which a 10% deposit of £6,013 may be deducted. The mortgage cost of £54,113 (£60,125 - £6,013) is then divided by 3.5. To secure a mortgage of £54,113, an annual income of £15,461 (£54,113 / 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 £60,125. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,503, requiring an income of £6,013. Therefore, an annual income of around **£21,473** (£15,461 + £6,013) is required to afford a 50% shared equity purchase of an entry-level house with annual rent.
277. A 75% equity share of £120,250 is £90,188, from which a 10% deposit of £9,019 can be deducted. The mortgage cost of £81,169 (£90,188 - £9,019) is then divided by 3.5. To secure a mortgage of £81,169, an annual income of £23,191 (£81,169 / 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 £30,063. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £752, requiring an income of £3,006. Therefore, an annual income of around **£26,197** (£23,191 + £3,006) is required to afford a 75% shared equity purchase of an entry-level house with annual rent.

⁴⁵ 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.

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)

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

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

b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms

(March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods⁴⁶.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard⁴⁷

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

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order⁴⁸

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

Concealed Families (Census definition)⁴⁹

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.

⁴⁶ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

⁴⁷ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

⁴⁸ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁴⁹ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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 Housing or Housing-With-Care

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

Fair Share

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

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 years⁵⁰, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

⁵⁰ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

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 Housing⁵¹

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

Strategic Housing Land Availability Assessment

⁵¹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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 SMAs 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 SMAs 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.⁵²

⁵² See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

