

# Rackheath

Housing Needs Assessment (HNA)

June 2024

## Quality information

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

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

# 1. Executive Summary

- 1.1 Rackheath is a Neighbourhood Area (NA) located in the District of Broadland. The NA boundary covers the areas administered by Rackheath Parish Council. The 2021 Census recorded 2,146 individuals in Rackheath, indicating an increase of 174 people since the 2011 Census.
- 1.2 There has been significant development in Rackheath since the previous Census, considering the small size of the settlement, which has ramped up over recent years. Broadland has provided data showing that 403 new homes have been built in the period from 2013/14-2023/24. The vast majority (98%) of this new housing was delivered since 2018, and 196 of the units built since 2013 (49%) were delivered as Affordable Housing. This high percentage Affordable Housing delivery is largely due to some Registered Provider schemes with 100% Affordable provision.
- 1.3 The current total number of dwellings in the NA is estimated to be 1,203 at the time of writing (876 in the 2021 Census plus 327 completions since then, as per data received from the local authority in April 2024). Significant further development is expected over the coming years. As of April 2024, Broadland District Council recorded a further net gain of 495 outstanding commitment units (dwellings on sites with planning permission minus demolitions proposed), most of which are due to be built out by 2028. This means that over the coming four years, the local housing stock in the NA should increase to a total of around 1,698 homes, close to double the number of homes recorded in the 2021 Census.
- 1.4 This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with Rackheath Parish Council at the outset of the research. The HNA supports the Review of the currently made (adopted) Rackheath Neighbourhood Plan of 2017.
- 1.5 Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.

## Conclusions- Tenure and Affordability

### Current tenure profile

- 1.6 Rackheath's current tenure profile is formed predominantly of home-owners, making up around 76% of households, followed by social and private renters, accounting for 12 and 10% of households respectively. Only 2% of households live in shared ownership homes. This is very similar to the picture across the wider District, except that across Broadland as a whole, there are slightly more private than social renters, compared to the NA.

Proportions at a national level show slightly less owner occupation and more renting overall.

- 1.7 Over the intercensal period 2011-2021, the proportion of owner occupation in Rackheath remained roughly the same, but the affordable sector, both for sale and rent, and the private sector both considerably increased, by nearly 50% for social housing and 30% for private renting.

## **Affordability**

### **Current tenure profile**

- 1.8 Rackheath's current tenure profile is formed predominantly of home-owners, making up around 76% of households, followed by social and private renters, accounting for 12 and 10% of households respectively. Only 2% of households live in shared ownership homes. This is very similar to the picture across the wider District, except that across Broadland as a whole, there are slightly more private than social renters, compared to the NA. Proportions at a national level show slightly less owner occupation and more renting overall.
- 1.9 Over the intercensal period 2011-2021, the proportion of owner occupation in Rackheath remained roughly the same, but the affordable sector, both for sale and rent, and the private sector both considerably increased, by nearly 50% for social housing and 30% for private renting.

## **Affordability**

- 1.10 Between 2014 and 2023, mean house prices in the NA have been rising steadily, by 70% or £137,500 overall. This is significantly above the average nationally, at 45%. The housing type for which prices increased most were detached (61%) and semi-detached houses (51%), although overall they were already the most expensive types of housing at the start of the period. Prices for terraces actually fell slightly by 2%, while insufficient price data was available to chart overall price changes in flats.
- 1.11 The average total annual household income in Rackheath was £49,600 in 2020 (the most recent year for this data), while the gross lower quartile income for a single earner was £19,960 or £39,920 for dual income households across Broadland (this data is not available for smaller areas).
- 1.12 Comparing these local income levels with the cost of different tenures indicates that affordability of owner occupation or market renting in the area is relatively poor. None of the average income groups considered are able to afford to market purchase or rental prices, except for entry level market rents.
- 1.13 Only households with above average incomes or a particularly large deposit are able to buy an average priced, or entry level market home in Rackheath. Households on average incomes or with two lower quartile incomes cannot afford average market rents, but can afford entry-level market rents. All affordable housing products, except First Homes at the lowest (30%) level of discount are affordable to those on average incomes.

Households with two lower quartile earners can afford First Homes only if at 50% discount, and shared ownership only if they purchase a 25% or lower equity share. The proportion of the population which can rent but can't buy is relatively significant and includes households with incomes between £36,520 and £64,929. Those on single lower quartile incomes in Rackheath can only afford social and affordable rent without recourse to benefits.

- 1.14 It appears unlikely that there are general viability issues with developing discount home ownership products, in the NA, given historic and pipeline supply. Discounted prices appear not to fall beneath average build costs.

### **The need for Affordable Housing**

- 1.15 In terms of the quantity of Affordable Housing, in the special case of Rackheath, neither the approach of pro-rating Greater Norwich HNA figures to the local parish population, nor a targeted calculation based on the local housing waiting list are deemed appropriate. This is because the current local parish population and current housing waiting list are based on a small current population. Rackheath is located in a major growth area of the recently adopted GNLP, and anticipates significant growth, which will accommodate a much larger new and growing population, addressing housing needs from elsewhere in the wider housing market area.

- 1.16 To illustrate the extent of the discrepancy, the number of households:

- in the 2021 Census in Rackheath is 856;
- currently, estimated based on Census + recent development is 1,203; and
- projected for the end of the plan period (taking into account the 4,565 units in the pipeline) is 5,768 (674% of the household number in the 2021 Census).

- 1.17 Therefore, the most appropriate and likely affordable housing needs percentage, as a per cent of total housing delivery, appears to be that based on the findings of the Greater Norwich HNA, i.e. 33% of all housing needing to be delivered as affordable housing, based on wider Greater Norwich needs, with 29% need for affordable housing for sale, and 71% for rent. Based on a projected total of 5,768 households likely to live in the NA by the end of the plan period, this would mean a total need for 1,903 units of affordable housing (33% of 5,768), minus the approximate 292 affordable units of stock currently present, which results in a residual need for 1,611 units, with 1,144 (71%) needed for rent and 467 (29%) for sale.

- 1.18 Both affordable housing for rent and for sale are likely to continue to fulfil an important role in meeting housing needs in Rackheath over the plan period, considering the housing affordability situation described above, especially if the very significant housing growth planned for Rackheath and the wider area is to be sustainable and the housing accessible for local people on average and lower local incomes. Therefore, meeting the need more urgent need for social and affordable rent should be prioritized, in line with the suggested mix. It is unlikely that Affordable Housing delivery over the plan period will meet these needs given a reduction in the delivery expectation on a major site.

- 1.19 The expected level of delivery, of 619 units, does not meet the quantity of demand identified in estimates of the need for affordable housing for Rackheath in this HNA (for 1,611 affordable units), based on the need identified as a percentage for the wider Greater Norwich population in the Greater Norwich HNA. This is chiefly a result of the lower rate of Affordable Housing negotiated on the major site GT16.

## **Conclusions- Type and Size**

### **The current housing mix**

- 1.20 With regards to the current dwelling type mix, Rackheath is currently characterised by a mix of homes which is strongly biased towards the typically least dense and largest dwellings types, with detached and semi-detached houses forming the two most common dwelling types, representing 62 and 29% of the dwelling stock respectively. Terraced houses and flats are much less common, representing around 7% and 3% of local stock each. Bungalows represent the majority of all homes in the NA, at 36% of all homes. This is an unusually high proportion that may be linked to the area's demographic profile and valued as a distinctive characteristic of the local housing stock.
- 1.21 Rackheath's housing stock is relatively similar to that of Broadland as a whole in terms of type, with the NA containing an even higher proportion of the least dense detached and semi-detached housing types, and an even lower proportion of more dense dwelling types including terraces and flats. The lack of terraces and flats may reflect density patterns aligned with local character, which may be a feature the Steering Group wish to protect and enhance rather than change.
- 1.22 Recent development in Rackheath appears to feature a greater proportion of terraces, but still a significant proportion of detached houses and very few flats or bungalows.
- 1.23 Housing in Rackheath tends to be primarily mid-sized sized dwellings with 3-bedroom homes making up nearly half of all dwellings, followed by larger homes of 4 or more bedrooms, which make up a third. Smaller 1 and 2-bedroom homes make up only about a quarter of all homes in total at present.
- 1.24 Over the intercensal period the size mix in Rackheath has remained almost unchanged, but has the potential to change completely, considering that significantly more dwellings are proposed to be built over the plan period than exist in the NA at present.

### **Population characteristics**

- 1.25 Rackheath's current demographic profile is roughly in line with that of the country as a whole, but with less of a skew towards older age groups compared to the rest of the District. The greatest share of the population is composed of the middle aged working population age group aged 45-64 (27%) and the younger adult population age group aged 25-44 (25%). Young children under 14 are the third most populous age group, followed by those aged 65-84, teenagers and young adults, and those aged over 85 (18%, 16%, and 4% respectively). Between the 2011 and 2021 censuses there has been a very significant proportional increase in the number of persons in the oldest age group, aged 85+, as well as significant growth in some of the younger age groups. The only age

groups that have declined slightly in terms of proportion of the total are children under 14 and those aged 25-44.

- 1.26 At present, the NA has a majority of couple and family households (72%), but with a not insignificant proportion of one person households (23%), but this is lower than for the district and country as a whole (28% and 30% respectively). Other households, such as flat shares, make up 5% in the NA and 4% across Broadland. Over the intercensal period, the proportion of one person households has grown much more than family households. Within family households, the category that has grown most is those with adult non-dependent children.
- 1.27 Analysis of over-and under-occupation in Rackheath shows that a very high proportion of around 82% of households have at least one more bedroom than they would be expected to need. 50% have at least two more rooms than they likely need. This is particularly the case families and single persons without children, and particularly families and couples over the age of 65. There are very few households with too few bedrooms, and they are exclusively occupied by families with children.

### **Future population and size needs**

- 1.28 Household projections, based on Rackheath's Census 2021 population, indicate that the number of households aged 65+ is expected to increase by 75% by the end of the Plan Period. Younger households are also expected to grow, although by a lesser rate, and the proportion of the youngest households aged 24 and under is projected to shrink by 10%. The trend toward ageing means that over the Neighbourhood Plan period it is likely that more households will enter the older age brackets at which point people's housing needs tend to change – for example, requiring accessibility adaptations or additional support. This data points toward a need for adaptable homes, a topic considered in greater detail in the next chapter.
- 1.29 Combining these household projections with dwelling size patterns can give an indication of what size of new dwellings might be needed by the end of the Plan Period. The split resulting from AECOM's calculations would recommend that
- 15% of additional units should have 1-bedroom,
  - 35% should have two bedrooms 3-beds,
  - 45% three bedrooms, and
  - 5% four or more bedrooms.
- 1.30 However, considering the very significant volume of housebuilding expected over the plan period in the NA, the number of households expected to exist in the NA by the end of the plan period are likely to constitute 674% of the number of households captured in the 2021 Census. The future population is therefore more likely to represent characteristics displayed by the wider Greater Norwich population, rather than the current population of Rackheath.
- 1.31 AECOM thus recommend the following split proposed in the Greater Norwich HNA:

- 13% of additional units should be 1-2 bedroom flats,
- 16% should be 1-2 bedrooms houses,
- 51% three bedrooms, and
- 19% 4+ bedroom houses.

1.32 As set out in table 5-1, the Greater Norwich HNA details the proportion of need by dwelling size separately for affordable and market housing, showing that for market housing, the larger size categories make up slightly higher proportions of the overall requirement than for affordable housing. Needs for rising numbers of older households, in addition to families, should also be considered, particularly as wider Broadland as a more rapidly aging population than Rackheath.

1.33 It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to the GNLP and Growth Triangle AAP) and site-specific factors, including potential viability challenges.

1.34 As the majority of housing likely to be built over the plan period in the NA is already allocated and/or permitted, the greatest impact on size and type mix is likely to be had through discussion by RPC with Taylor Wimpey and BDC, over the emerging Masterplan for 3,850 units of housing in North Rackheath.

## **Conclusions- Specialist Housing for Older People**

### **Characteristics of the current older population**

1.35 There are currently around 222 individuals aged 75 or over in Rackheath, representing 10% of the population. There are no schemes of specialist accommodation in Rackheath at present, according to the Elderly Accommodation Counsel search tool. However, there is a care home offering 44 bedspaces.

1.36 A clear majority (93%) of Broadland households aged 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2045) are owner occupiers, and the remainder predominantly rent from a social landlord. This is important because those currently owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent will need to rely on subsidised rented housing because they are unlikely to have the funds to buy. Rates of disability in Rackheath are also higher among social tenants than owner-occupiers.

### **Projected demographic change and need for specialist housing**

1.37 The 75+ population of the NA is projected to increase to 375 people over the Plan period, to become 15% of the population in 2040. This of course only represents ageing and minimal household growth among the existing population. In reality the size of all age cohorts is expected to expand very significantly in line with the large volume of planned residential development.

- 1.38 The growth in the existing older population, which, rather than the total, is the focus of the estimates of need here, should be converted into households because some older people will be cohabiting in old age. The projected household growth to 2045 aged 75+ arising from the existing population in Rackheath is 107.
- 1.39 The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research.
- 1.40 The two Rackheath specific estimates suggest a range of 38 to 48 specialist accommodation units might be required during the Plan period. These estimates are also broken down by tenure and level of support required. The vast majority of need is for accommodation offered for market purchase. This chimes with the higher propensity of older households to be homeowners. Around 45-75% of the need is found to be for sheltered housing with limited support rather than additional care arrangements.
- 1.41 Norfolk County Council's 2021 Study of Retirement Housing Demand and Planning Issues indicates a need for 831 extra care and 1,862 sheltered housing units across Broadland to 2041. The former is composed of 70% market dwellings and 30% affordable, while the latter is composed of 83% market and 17% affordable homes.
- 1.42 These figures provide a sense of the scale of the wider needs to which new development in Rackheath might be expected to meet. Given the large volume of planned supply it is likely that the scale of need arising from the existing NA community could be met in full, assuming that specialist housing schemes are planned.
- 1.43 The potential additional need for care and nursing home beds in Rackheath to 2045 can be roughly estimated at 17 bedspaces.
- 1.44 Currently, specialist older people's housing in the vicinity of Rackheath is concentrated in Norwich. This may be a sustainable situation going forward. However, there may also be an opportunity to attract specialist housing development in Rackheath itself for people who do not want to leave their immediate surroundings and social networks when their housing needs change in old age, as well as to meet a share of the need arising from the entire Greater Norwich area for whom much of the largescale new development in the NA is designed. The HNA evidence can be used to support specialist housing development but does not make that obligatory. How far to promote this is a choice for the Working Group and wider community.

### **Accessibility and adaptability**

- 1.45 An alternative or additional avenue to the provision of additional specialist homes is to discuss the standards of accessibility and adaptability required of new development with Broadland District Council. There is a particularly high degree of overlap between the groups served by sheltered specialist housing and adapted mainstream housing, so any unmet need for such homes identified here can be reduced through this avenue.

1.46 The Greater Norwich Local Plan provides explicit encouragement for development to accommodate specific groups such as older people and sets the specific target for 20% of new homes to meet Category M4(2) accessibility standards. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing, but this policy benchmark appears appropriate for both the evolving needs of Rackheath's existing population and the wider needs of Greater Norwich.

## 2. Context

### Local context

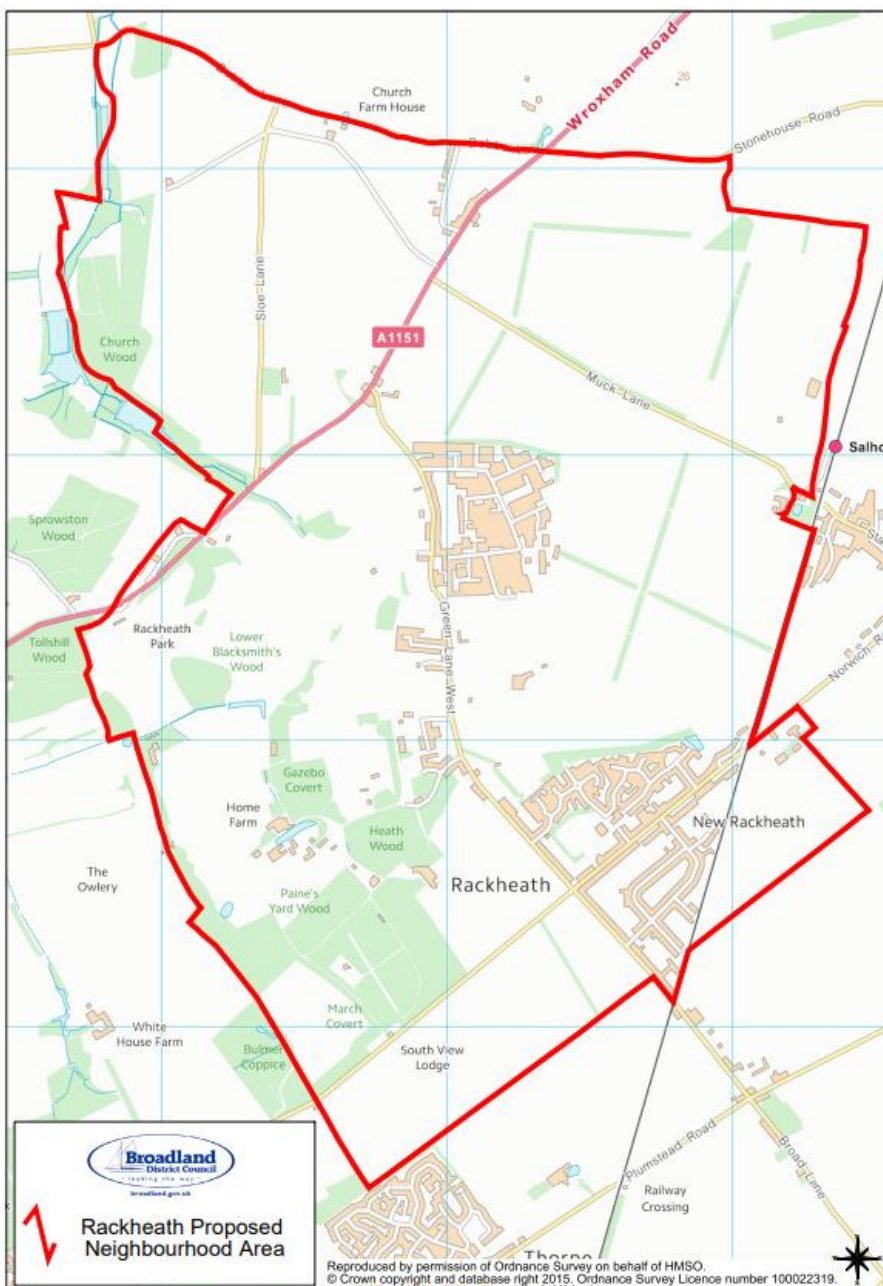
- 2.1 Rackheath is a Neighbourhood Area (NA) located in the District of Broadland, in the County of Norfolk. The NA boundary is contiguous with the Rackheath parish boundary and was designated in 2015.
- 2.2 Rackheath already has a made (adopted) Neighbourhood Plan, approved in 2017, which the Rackheath Parish Council (RPC) and the Neighbourhood Plan Steering Group are now looking to Review. The AECOM Housing Needs Assessment was commissioned to support this review.
- 2.3 The plan period of the Rackheath Neighbourhood Plan Review is envisaged to start in 2024 and extend to 2045, therefore covering a period of 21 years. The evidence supplied in this report will look forward to the new Plan end date of 2045, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
- 2.4 The NA is located near the centre of Broadlands District, around 10km north east of Norwich city centre. Prior to development, Rackheath was primarily heathland, as indicated by the name. There are no environmental designations within the NA, but it contains three County Wildlife Sites and three areas of woodland, including Ancient Woodland and Plantation on Ancient Woodland sites.
- 2.5 With regards to transport, Rackheath lies on a crossroad between the A1151 (Wroxham Road connecting Wroxham and Hoveton to the north with Norwich to the south), and the A1270 (Broadland Northway, which provides an orbital route around the northeastern fringe of Norwich). The Greater Anglia railway line connecting Norwich with the Norfolk seaside settlements of Cromer and Sheringham traverses the eastern edge of the NA, with the nearest railway station at Salhouse, around 1.5 miles from the centre of the Rackheath.
- 2.6 The NA offers amenities including shops, a primary school and pre-school, a pharmacy, swimming pool and vet. However, it does not currently include a secondary school nor a GP surgery. The nearest surgery located at Hoveton, though Wroxham Medical Centre holds a satellite surgery once a week only in the NA. The nearest secondary school is located in Hoveton. For some shops and services, residents have to travel to Norwich.
- 2.7 The NA is experiencing high and complex development pressure for housing due to its location close to Norwich and because it forms part of a strategic development area in the new Greater Norwich Local Plan (GNLP). Pressures are accentuated due to the close proximity and good rail and road links to Norwich. For Local Plan purposes, Rackheath is considered as part of the wider Norwich urban area and is located in the strategic growth area known as the “Growth Triangle”. The newly adopted Local Plan for Greater Norwich plans for major new housing, employment, and services in this growth triangle, including a new country park and associated green infrastructure, cycle routes,

a new railway station, a new district centre, additional primary and secondary school provision, and healthcare provision. If the Growth Triangle plans are fully implemented, the village of Rackheath will become a small town over the plan period.

## The NA boundary and key statistics

2.8 For Census purposes, the NA is made up, like the rest of England, of statistical units called Output Areas (OAs). A breakdown of the OAs relevant to Rackheath is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

**Figure 2-1: Map of the Rackheath Neighbourhood Area**



Source: Broadland District Council <sup>1</sup>

<sup>1</sup> Available at [Rackheath Neighbourhood Development Plan approved area map \(southnorfolkanbroadland.gov.uk\)](https://www.southnorfolkanbroadland.gov.uk)

2.9 At the time of the 2011 Census the NA was home to 1,972 residents, formed into 762 households and occupying 779 dwellings. The 2021 Census indicates population growth of around 174 individuals (or 8.8%) since 2011<sup>2</sup>, recording a total of 2,146 residents, 857 households, and 876 dwellings. The average household size fell slightly from 2.59 to 2.50.

2.10 Outstanding commitments data from the local authority is set out in the table below (dwellings on sites with planning permission, some of which have not yet been completed in March 2024), showing 495 outstanding commitments, largely due to be built out by 2028. This means that there are, at the time of writing, around 1,203 dwellings in Rackheath (876 in the 2021 Census plus 327 completions since then), and this is likely to increase by a further 495 units to 1,698 by 2028. This means that the number of dwellings is likely to have doubled between the 2021 Census and 2028, i.e. more than 13% growth per year. This can be compared to a population growth rate of 0.8% per year 2011-2021, showing that growth in Rackheath will accelerate substantially over the coming years, providing accommodation for additional population from Greater Norwich and elsewhere, which will help to support the viability of planned new infrastructure and services in the parish.

2.11 In addition to existing commitments through planning permissions, through the Local Plan process (the GNLP and Growth Triangle AAP) there is also further major growth in the pipeline in Rackheath, most significantly through AAP policy GT16, which has outline planning consent and an emerging Masterplan being developed by Taylor Wimpey in 2024 for 3,850 units. In total, taking into account commitments through the planning process and allocations, development in the NA over the plan period looks likely to total 4,565 units. Some of the units currently in the pipeline may not be delivered until after the plan period. However, equally new permission may come forward over the plan period on unallocated sites.

**Table 2-1: Current housing developments in Rackheath with numbers and estimated completion dates**

PP Ref	Address	Description	Granted	Lapses	Started	Completed	Prop Units	Lost	Net Gain	Total Completions	Estimated completion as of 01/04/2023
20191590	55 Salhouse Road, Rackheath,	Proposed Demolition of Dwelling & Erection of a Replacement Dwelling	20/03/2020	20/03/2023	08/11/2021		1	1	0	0	Unknown
20200747	28 Salhouse Road, Rackheath,	Replacement Dwelling & Garage	22/05/2020	22/05/2023	01/04/2023		1	1	0	0	Unknown
20200998	Old School Playing Field, Green Lane West, Rackheath	Erection of 2 detached houses	20/08/2020	20/08/2023	19/04/2023		2	0	2	0	Unknown

<sup>2</sup> It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.

Rackheath Neighbourhood Plan Housing Needs Assessment

2023/0534	Gazebo Farm, Newman Road, Rackheath, Norwich, NR13 6LG	Proposed replacement dwelling	08/09/2023	08/09/2026			1	0	1	0	Unknown
20200855	Land South of Green Lane East, Rackheath  ALL AFFORDABLES	Development of up to 157 Dwellings together with Associated Access, Open Spaces & Infrastructure at Land South of Green Lane East	16/12/2020	16/12/2023	16/11/2020	14/11/2023	157	0	157	157	FINAL UNITS COMPLETED AT NOV 2023
20210507	Northern parcel, Land off Green Lane West, Rackheath NORFOLK HOMES	Variation of conditions 2 of Planning Permission 20171464	21/07/2021	21/07/2024	17/05/2022		120	0	120	24	Whole site estimated to be completed 2027/28.  MAY BE SOONER FOR AFFORDABLES AS ON SITE
20210472	Southern Parcel, Land off Green Lane West, Rackheath CHARLES CHURCH / PERSIMMON	Variation of conditions 2 of planning permission 20171464	09/09/2021	09/09/2024	18/08/2022		202	0	202	85	Whole site estimated to be completed 2025/26  AFFORDABLES BEING COMPLETED SINCE JANUARY 2023
20210793	Land east of Green Lane West, Rackheath  ORBIT HOMES (ALL AFFORDABLE)	Reserved matters for appearance, landscape, layout and scale following outline permission 20152081 for 50 units	16/02/2022	16/02/2025	2023		50	0	50	5	Whole site estimated to be completed 2026/27  FIRST AFFORDABLE UNITS EXPECTED END 2024
20172208	Land adj Mahoney Green, Rackheath, Norwich	Residential Development for up to 205 dwellings and associated works (Outline)	17/02/2022	17/02/2025			205	0	205	0	Beyond 2027
20160498 / 20200447	Phases 2, 3 and 4,	Land South of Salhouse Road, Sprowston	26/06/2020	26/06/2023	2022		Approximately 65 dwellings fall into the parish of Rackheath geographically.			36 approx.	Whole site estimated to be completed in 2028

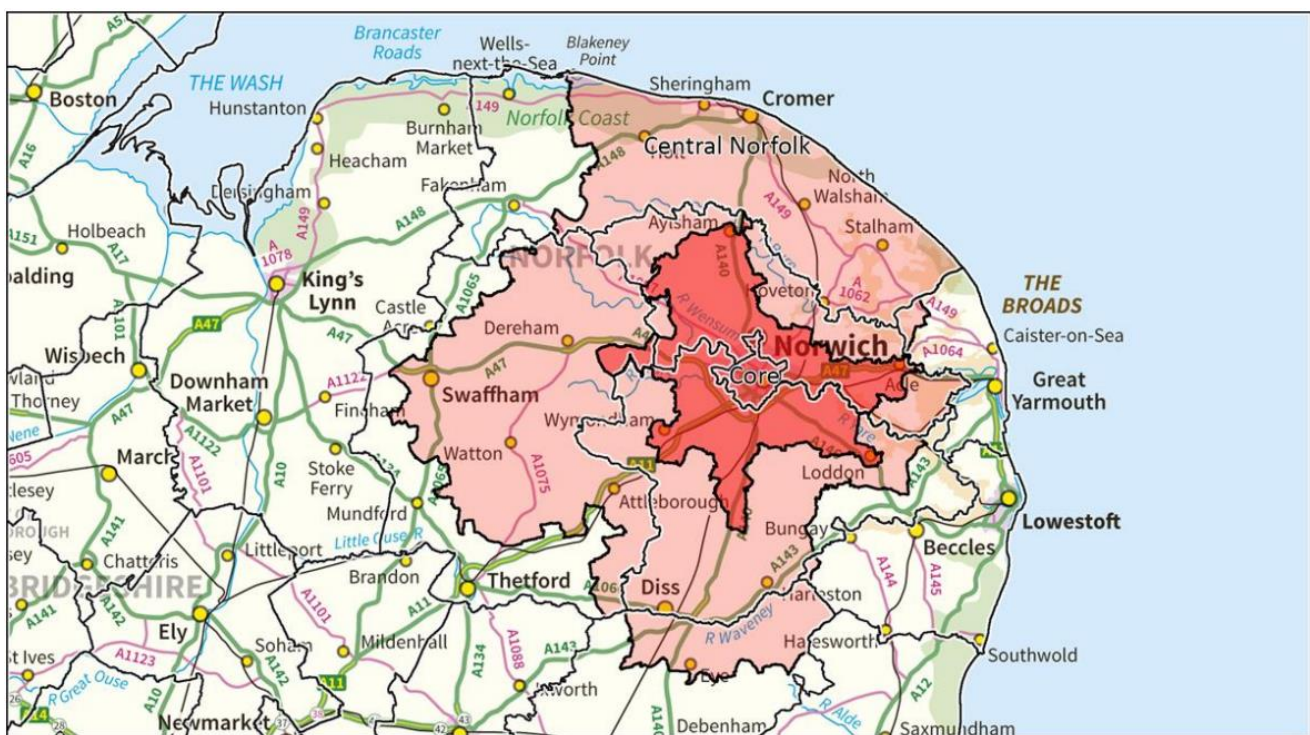
Source: Broadland District Council

## The housing market area context

2.9 Whilst this Housing Needs Assessment (HNA) focuses on Rackheath NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.

2.10 In the case of Rackheath, the NA sits within the Greater Norwich Housing Market Area which covers all of Norwich, Broadland and South Norfolk, as well as an area over which joint planning takes place. This area is illustrated in brighter red in Figure 2-2 below.<sup>[1]</sup> This means that when households who live in these authorities move home, the vast majority move within this geography. However, the Housing Market Area also has links to other neighbouring areas, including the wider Central Norfolk Housing Market Area shown in pink in the figure below, which is the functional Housing Market Area fitted to wider district boundaries, including all of Norwich, Broadland, South Norfolk, Breckland and North Norfolk.

**Figure 2-2: Housing Market Area in and around Greater Norwich (Central Norfolk Strategic Housing Market Assessment 2017 Figure 1)**



2.11 At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Rackheath, are closely linked to other areas. In the case of Rackheath, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. This is becomes clear when considering that much, although not all, future housing and economic growth planned for Rackheath and the wider Growth Triangle will accommodate need from Norwich and the wider Housing

<sup>[1]</sup> Central Norfolk Strategic Housing Market Assessment 2017, available here: [https://www.norwich.gov.uk/download/downloads/id/3993/shma\\_-\\_june\\_2017.pdf](https://www.norwich.gov.uk/download/downloads/id/3993/shma_-_june_2017.pdf)

Market Area, while employment opportunities across Greater Norwich also benefit Rackheath.

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

## Planning policy context

2.13 Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.<sup>3</sup> In the case of Broadland, the relevant adopted Local Plan<sup>4</sup> consists of

- the Greater Norwich Local Plan (GNLP) 2018-2038<sup>5</sup>, adopted during the time of writing this HNA in March 2024, replacing the previous Broadland Local Plan, excepting Area Action Plans for Long Stratton, Wymondham and the Growth Triangle);
- The made Rackheath Neighbourhood Plan 2017 (until it is replaced by the emerging Review); and the
- The Growth Triangle Area Action Plan 2016<sup>6</sup>.

2.14 The Growth Triangle is a key element of the new Local Plan's growth strategy, sitting at the top of the settlement hierarchy, considered as part of the Norwich urban area.

2.15 A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the newly adopted Local Plan:

- Local Plan Policy 1 identifies an overall housing target of 45,041 minimum new homes for the Greater Norwich Area over the plan period 2018-2038. This equates to 2,252 homes per annum.
- The same Policy 1 sets out the settlement hierarchy. Rackheath lies in the Norwich urban area. This includes Norwich itself and the urban fringe. Rackheath is located in the latter. The Norwich Urban Area is designated in Policy 1 as the top of the settlement hierarchy. Most of the housing growth is focussed in the Strategic Growth Area, which includes the Norwich urban area, and thus Rackheath.
- Norwich urban area (within which Rackheath is located, as part of the "Growth Triangle") has a total commitment for 27,958 homes to 2038, of which 20,976 are already delivered.

<sup>3</sup> A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

<sup>4</sup> All documents available at: [Adopted Broadland Local Plan – Broadland and South Norfolk \(southnorfolkandbroadland.gov.uk\)](https://www.southnorfolkandbroadland.gov.uk/adopted-broadland-local-plan)

<sup>5</sup> [J. Inspectors' Report and adoption documents | GNLP](#)

<sup>6</sup> [Growth Triangle Area Action Plan - Adopted July 2016 \(southnorfolkandbroadland.gov.uk\)](#)

- Rackheath is also identified as an urban fringe parish in policy 7.1 and is within an area identified for significant development as part of the Old Catton, Sprowston, Rackheath, Thorpe St Andrew Growth Triangle Area Action Plan. Existing major residential-led developments recognised in the GNLP total approximately 3,500 homes.
- Policy 5 states that at least 33% of all new dwellings are expected to be delivered as Affordable Housing on major residential sites (so 10 homes or more),
  - Unless the site is allocated in a Neighbourhood Plan for a different percentage of affordable housing,
  - Or the applicant can demonstrate that particular circumstances justify the need for a viability assessment at decision-making stage.
- There is no prescribed or suggested tenure mix within Affordable Housing given as part of the policy. The policy requires provision of a mix of affordable housing sizes, types, and tenures in agreement with the local authority, taking account of the most up-to-date local evidence of housing need.
- Within the same Policy 5, the GNLP sets out an expectation that 20% of new homes on major development sites will be built to Category M4(2) accessibility standards.
- Policy B.RA.1 Land to the west of Green Lane West, Rackheath allocates land for residential development of approximately 205 homes; and
- Policy B.RA.2 Land at Heathwood Gospel Hall, Green Lane West, Rackheath allocates land for residential development of approximately 15 homes.

2.16 The Growth Triangle Area Action Plan (AAP) Policy GT 16: North Rackheath additionally identifies an area of 293ha, of which 160ha will be developed as a mixed use development, with details to be determined through a Masterplan (currently in production), but a recommended 33% of affordable housing in the AAP.

2.17 While there is no housing number in the policy, the supporting text states that the mixed use development is expected to deliver approximately 3,000 new homes and that in combination with additional sites allocated to the south of Rackheath village, total development levels in the area are expected to reach at least 3,400 dwellings (see AAP para. 8.99-8.100). The emerging Masterplan, currently being consulted on, includes 3,850 dwellings<sup>7</sup>.

## Quantity of housing to provide

2.18 The NPPF 2023 (paragraphs 67 and 68) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

2.19 Broadland has made significant and complex housing commitments in Rackheath through the Local Plan process and the planning application process, which includes:

- Growth Triangle AAP Policy GT 16 North Rackheath and Emerging relevant Masterplan proposed for 3,850 homes;

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<sup>7</sup> [Redevelopment of Land North of Rackheath, Norwich · Taylor Wimpey](#)

- GNLP POLICY B.RA.1 Land to the west of Green Lane West, Rackheath allocated for residential development of approximately 205 homes;
- GNLP POLICY B.RA.2 Land at Heathwood Gospel Hall, Green Lane West, Rackheath (0.64 hectares) allocated for residential development of approximately 15 homes; plus
- Outstanding commitments for 495 units at present (as detailed above from the local authority).

2.20 The total of these allocations and commitments is currently 4,565 units, and more may yet be forthcoming in the NA through further windfall development on unallocated sites which are yet to gain planning permission. At the same time, as mentioned earlier in the report, delivery of some units currently in the pipeline may be delayed until after the Neighbourhood plan period.

2.21 This HNA will use the figure of 4,565 units as set out above in lieu of a housing requirement, as the best available estimate of likely delivery over the plan period. Rackheath Parish Council (RPC) do not intend to allocate any additional housing above and beyond what is set out above.

## 3. Objectives and approach

### Objectives

3.1 This HNA is structured according to a number of themes or topics that were agreed at the outset of the research with RPC. These themes are broadly aligned with the kinds of housing policy areas available to neighbourhood plans, and each will form a distinct chapter of this report. The sub-sections below give a brief overview of the objectives of each chapter.

### Affordability and Affordable Housing

3.2 Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

3.3 This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

3.4 The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must be in general conformity with these strategic policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

### Type and Size

3.5 It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.

3.6 The focus of this chapter is to identify relevant trends and potential gaps in the market that can be used to justify planning policies. It has three aims, each given its own sub-section:

- To establish what **mix** of housing exists in the NA at present;
- To describe relevant characteristics of the local **population**; and
- To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.

3.7 In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

## Specialist Housing for Older People

3.8 It may be appropriate for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons.

3.9 This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

3.10 This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

## Approach

3.11 This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:

- ONS population and household projections for future years<sup>8</sup>;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Home.co.uk;
- Local Authority housing waiting list and completions data;
- Central Norfolk Strategic Housing Market Assessments (2016 and 2017)<sup>9</sup> and

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<sup>8</sup> Note that the Neighbourhood Plan end date is 2045 but ONS population and household projections at present only go to 2043; therefore, we have extrapolated these to 2045.

<sup>9</sup> Available at: [Strategic Housing Market Assessment – Broadland and South Norfolk \(southnorfolkandbroadland.gov.uk\)](https://southnorfolkandbroadland.gov.uk)

- Greater Norwich Housing Needs Assessment 2021<sup>10</sup>.

3.12 Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including parishes, will not be available until later in 2024, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.

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<sup>10</sup> Available at: [B22.3 Greater Norwich LHNA\\_0.pdf \(gnlp.org.uk\)](#)

## 4. Affordability and Affordable Housing

### Introduction

- 4.1 Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.
- 4.2 This chapter has three aims, each given its own sub-section:
- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
  - To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
  - To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.
- 4.3 The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must conform with these policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

### Definitions

- 4.4 This section uses a range of technical terms which are useful to define at the outset:
- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
  - **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
  - The definition of **Affordable Housing** is set out in the NPPF 2023 (Annex 2) as ‘Housing for sale or rent, for those whose needs are not met by the market...’ We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
  - A range of affordable home ownership opportunities are included in the Government’s definition of Affordable Housing, to meet the needs of those aspiring

to own a home. As part of this, the Government has introduced a new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.<sup>11</sup>

- **First Homes** is a new product and expected to be an important part of the strategy for improving access to home ownership. Its key features are explained in greater detail in Appendix C.

## Current tenure profile

- 4.5 The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
- 4.6 Table 4-1 presents data on tenure in Rackheath compared with Broadland and England from the 2021 Census.
- 4.7 The majority of households in Rackheath are owner occupiers (76%), followed by social renters (12%) and private renters (10%). This is very similar to the District, except that across Broadland as a whole, there are slightly more private than social renters, compared to the NA. Proportions at a national level show slightly less owner occupation and more renting overall.
- 4.8 Notice that Shared Ownership, as a form of tenure, only represents 1% of households nationally, approximately the same as across Broadland District, and just under the 2% observed in Rackheath (15 households, up from a single household in 2011). This is due to the more recent introduction and relatively low provision of this tenure category, although take-up is clearly evident in the NA.

**Table 4-1: Tenure (households) in Rackheath, 2021**

Tenure	Rackheath	Broadland	England
Owned	76.4%	77.1%	61.3%
Shared ownership	1.8%	0.9%	1.0%
Social rented	12.0%	9.7%	17.1%
Private rented	9.8%	12.3%	20.6%

Sources: Census 2021, AECOM Calculations

- 4.9 It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). Between the 2011 and 2021 Censuses, the proportion of owner occupation in Rackheath has remained roughly the same. The table shows a very significant percentage change for shared ownership, due to the small sample size as noted above. The size of the social rented sector has considerably increased, by nearly 50%, in line with the previously mentioned significant proportion of affordable housing in past completions, largely due to a few 100% affordable housing schemes. The size of the private rental sector has also increased by over 30% in the same time

<sup>11</sup> The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

period. This shows that development has been considerable and that most of it to date has added to the rental stock. However this is anticipated to change with upcoming major development which is expected to include a lower percentage of affordable housing.

**Table 4-2: Tenure change (households) in Rackheath, 2011-2021**

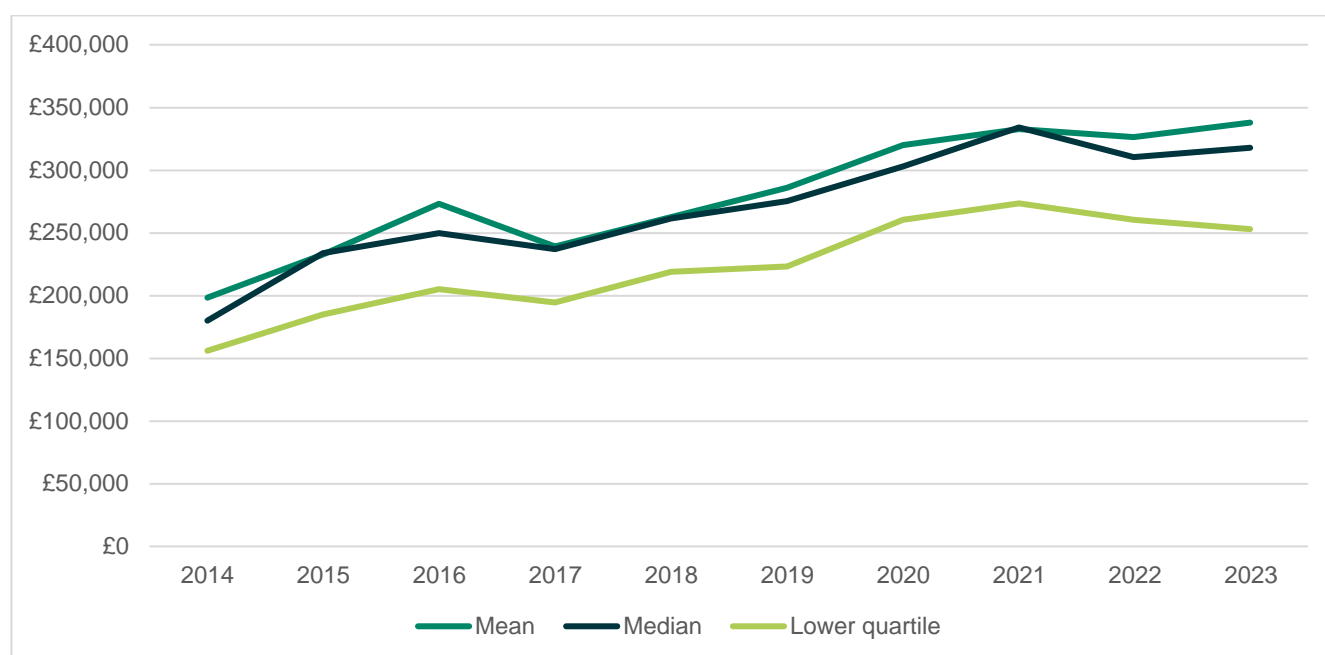
Tenure	2011	2021	% change
Owned	620	654	+5.5%
Shared ownership	1	15	+1400.0%
Social rented	69	103	+49.3%
Private rented	64	84	+31.3%

Sources: Census 2021 and 2011, AECOM Calculations

## Affordability

### House prices

- 4.10 House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
- 4.11 Figure 4-1 looks at the average and lower quartile house prices in Rackheath based on sales price data published by the Land Registry. This shows that between 2014 and 2023, mean house prices (the average, where the sum of all house price values is divided by the total number of sales) in the NA have been rising steadily, by 70% or £137,500 overall. This is significantly above the average national price increase of 45% during the same time period. The peaks in average house prices in Rackheath were in 2016 and in 2021, with minor dips and stagnations in the periods between.
- 4.12 In the median and lower quartiles averages, similar peaks could be observed. The median house price is the middle number when the data is sorted from smallest to largest, and the lower quartile house price is the middle figure of the lowest 50% of prices and a good representation of entry-level housing. Overall, median prices rose by an even more significant 76% and lower quartile prices by slightly lesser 62%.
- 4.13 The mean house price for Broadland as a whole in 2023 was £339,628 (£1,738 above the mean for Rackheath), which means that Rackheath house prices are very close to the District average.

**Figure 4-1: House prices by quartile in Rackheath, 2014-2023**

Source: Land Registry PPD

4.14 Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that between 2014 and 2023 the greatest increase was in detached houses, at 61%, although overall they were already the most extensive type of housing to start with. Average prices for semi-detached houses, the second most expensive category, grew almost to the same extent, at 51%. Prices for terraced houses actually fell slightly by 2%. Insufficient price data was available to chart overall price changes in flats for the whole period, but based on the sales data that is available from 2016-2022, the sample appears very small and therefore rather volatile, without an obvious rising or falling trend.

4.15 There is actually some more minor year-on-year fluctuation in house prices within all of the other house type categories, likely due to the annual average by type being derived from a smaller sample size within each category. This means that variation in characteristics outside of type, such as the size, location, and condition of dwelling, can have a greater impact on the average.

**Table 4-3: Median house prices by type in Rackheath, 2014-2023**

Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Growth
Detached	£234,500	£245,000	£275,000	£255,000	£307,500	£316,875	£321,000	£350,000	£351,250	£377,500	+61.0%
Semi-detached	£178,975	£190,000	£196,000	£214,000	£248,000	£220,000	£320,000	£249,500	£280,000	£269,500	+50.6%
Terraced	£149,475	£162,500	£194,750	£173,500	£218,400	£263,750	£289,998	£248,250	£284,000	£147,000	-1.7%
Flats	-	-	£250,000	£385,000	-	-	£355,000	£307,500	£255,000	-	-
<b>All Types</b>	<b>£180,000</b>	<b>£233,500</b>	<b>£250,000</b>	<b>£237,000</b>	<b>£262,000</b>	<b>£275,000</b>	<b>£303,000</b>	<b>£334,050</b>	<b>£310,000</b>	<b>£317,500</b>	<b>+76.4%</b>

Source: Land Registry PPD

## Income

- 4.16 Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
- 4.17 The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £49,600 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.
- 4.18 The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Broadland's gross individual lower quartile annual earnings were £19,960 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £39,920.
- 4.19 It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

## Affordability Thresholds

- 4.20 To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.21 AECOM has determined thresholds for the income required in Rackheath to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
- 4.22 The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.
- 4.23 Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have

assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £49,600	Affordable on LQ earnings (single earner)? £19,960	Affordable on LQ earnings (2 earners)? £39,920
<b>Market Housing</b>						
Median House Price	£285,750	-	£81,643	No	No	No
Estimated NA New Build Entry-Level House Price	£258,064	-	£73,732	No	No	No
LQ/Entry-level House Price	£227,250	-	£64,929	No	No	No
LA New Build Median House Price	£301,500	-	£86,143	No	No	No
Average Market Rent	-	£16,644	£55,480	No	No	No
Entry-level Market Rent	-	£10,956	£36,520	Yes	No	Yes
<b>Affordable Home Ownership</b>						
First Homes (-30%)	£180,644	-	£51,613	No	No	No
First Homes (-40%)	£154,838	-	£44,239	Yes	No	No
First Homes (-50%)	£129,032	-	£36,866	Yes	No	Yes
Shared Ownership (50%)	£129,032	£3,584	£48,814	Yes	No	No
Shared Ownership (25%)	£64,516	£5,376	£36,354	Yes	No	Yes
Shared Ownership (10%)	£25,806	£6,452	£28,879	Yes	No	Yes
<b>Affordable Rented Housing</b>						
Affordable Rent	-	£5,661	£18,852	Yes	Yes	Yes
Social Rent	-	£4,835	£16,100	Yes	Yes	Yes

Source: AECOM Calculations

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

### Market housing for purchase and rent

4.25 Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median

house price would require an annual income more than £30,000 (64%) higher than the current average.

4.26 Private renting is generally only affordable to those earning above the local average. Households made up of two lower quartile earners cannot afford private renting in Rackheath, except for an entry level property. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

### **Affordable home ownership**

4.27 There is a relatively large group of households in Rackheath who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £36,520 per year (at which point entry-level rents become affordable) and £64,929 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.

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

4.29 This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. 50% discounts would be affordable to those on average household or two lower quartile individual incomes in Rackheath, while 40% discounts would only be affordable to those on average incomes, and 30% discounts would not extend home ownership except to those on higher than average incomes.

4.30 It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If RPC intend to set a higher First Homes discount level than that set at District level, further discussions with the LPA are advised.

4.31 Shared ownership, especially with lower equity shares, appears to be a little more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to

10% of the property value.<sup>12</sup> If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

4.32 Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership quite significantly, including to households with two lower quartile earners in Rackheath. However, discounts on *average* rents would require above average incomes, making Rent to Buy affordability, in terms of the household income required, comparable to First Homes at 30% discount and Shared Ownership at a 50% or higher equity share. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

4.33 These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
- Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

### **Affordable rented housing**

4.34 Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means

<sup>12</sup> The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

that they are in practice below 80% of market levels. This appears to be the case in Rackheath, where affordable rents are set at about 34% of average market rents.

- 4.35 Affordable rented housing is therefore generally affordable to households with two, or even one lower earner, depending on their household size (average earning households are unlikely to be eligible). In fact, affordable and social rents are the only tenures affordable to households with only a single lower quartile income, and some such households will, if unable to secure a social rented dwelling based only on their income, require additional subsidy through Housing Benefit to access housing.
- 4.36 The evidence in this chapter suggests that the affordable rented sector performs a vital function in Rackheath as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

## Estimates of the need for Affordable Housing

4.37 This section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

### Evidence in the local authority HNA

4.38 Three different evidence pieces on housing market and housing need were produced by ORS for the wider Housing Market Area over the past years supporting the then emerging GNLP, in 2016, 2017, and 2021. The latest is the Greater Norwich Housing Needs Assessment (HNA) 2021. This study estimates the need for affordable housing across Greater Norwich (an area covered by Broadland District Council, Norwich City Council and South Norfolk District Council), based on analysis of the Councils' housing waiting list and of other data sets in line with Planning Practice Guidance at the time.

4.39 The Greater Norwich HNA first identified an overall affordable housing need for rent and sale over a 20-year plan period 2018-2038 for Greater Norwich and for local authorities within it. It then amended the affordable housing for sale needs figure based on assumptions about effective demand (i.e. aspiring households actually able to access affordable home ownership), to establish an appropriate affordable housing policy target. This resulted in a needs figure for Broadland of 1,293 additional affordable rented homes (64.65 per annum) and 549 affordable home ownership dwellings (27.45 per annum). The latter was reduced down from 4,195 total potential demand / 209.75 each year.

4.40 When these Greater Norwich HNA figures are pro-rated to Rackheath, based on its fair share of the Broadland population (approximately 1.63% of the district's population, based on the 2021 Census), this equates to 1 affordable home for rent and 0.45 for sale per annum or 31 affordable homes in total over the Neighbourhood Plan period 2024-2045, split into 22 affordable homes for rent and 9 affordable homes for sale (i.e. a tenure split of 71% for rent and 29% for sale). Note that the Greater Norwich HNA found the same 71/29 split of need to be appropriate for across the wider Greater Norwich area.

4.41 However, pro-rating district level estimates of affordable housing need to the small existing population of a rural area about to be expanded significantly presents significant problems in practice. While current percentages of population living in affordable housing are not dissimilar in the parish compared to the wider District, need generated from those few households already living in the sector in Rackheath is going to be negligible compared to the need generated by the wider Greater Norwich area, some of which Broadland will intend to accommodate in the significant new housing growth in Rackheath, including some of the 100% affordable housing schemes. Households who may need affordable housing often move away to areas where their needs are more likely to be met (either because there is affordable or private rented housing available).

4.42 Secondly, over the plan period and beyond, the significant housing growth planned for Rackheath in the near future will in itself create further affordable housing need, by introducing a significant new population which will grow over time and in time generate need for of affordable housing. The exact proportion will depend on the relationship between average incomes of the future population with the average house prices in the new and existing housing in Rackheath and the surrounding area. All of these factors make it difficult, and to some extent futile, identifying need for social/affordable rented housing within Rackheath on the basis of the small Census 2021 population.

4.43 To illustrate the extent of the discrepancy, the number of households:

- in the 2021 Census in Rackheath is 856;
- currently, estimated based on Census + recent development is 1,203; and
- projected for the end of the plan period (taking into account the 4,565 units in the pipeline) is 5,768 (674% of the household number in the 2021 Census).

## **AECOM Estimates & Additional Evidence on Housing Need**

4.44 In some cases where pro-rating the local authority need on the basis of pro-rating local authority need is not very appropriate, AECOM sometime estimate need on the basis of the local authority housing waiting list for the parish. However, as there are currently only 9 households with a local connection to Rackheath on the housing waiting list (partially due to the low current population and partially due to the high recent delivery of affordable housing for rent within the parish), this is unlikely to be helpful, considering the level of projected growth. However, broad results are set out in Appendix D.

4.45 Therefore, AECOM deems the most helpful consideration to be affordable housing need as a percentage of total housing need at the District and wider Greater Norwich area, as the new additional Rackheath population is likely to largely originate from the wider Greater Norwich Area.

4.46 The Greater Norfolk HNA concludes that *“the overall need for new affordable housing would rise to 34% of the total housing need for Greater Norwich as a whole over the plan period”* including *“the additional need from those who aspire to own, but who can afford to meet their own private rents”*.

4.47 The GNLP takes this evidence forward, together with other considerations including viability, to produce its affordable housing policy which requires at least 33% of all new dwellings to be delivered as Affordable Housing on major residential sites, with the mixed between rented and for sale units to be determined locally.

4.48 The AECOM HNA concludes that there is no more appropriate local target for Rackheath than this policy target of 33%, with a mix of 71% for rent and 29% for sale, as neither the approach of pro-rating Greater Norwich HNA figures to the local parish population, nor a targeted calculation based on the local housing waiting list is an appropriate alternative in the special case of Rackheath.

## **Affordable Housing policies in Neighbourhood Plans**

4.49 This section outlines a common Neighbourhood Plan policy level around the tenure mix of affordable housing, provides a recommendation and summarises relevant considerations.

### **Application of Local Plan policies**

4.50 Broadland's adopted policy on this subject (GNLP Policy 5) requires 33% of all new housing to be affordable. Given that Affordable Housing made up 49% of new housing in Rackheath over the last decade according to Broadland completions figures, it is understood that this target has usually been met on sites in the NA since 2013. However, it is worth taking into consideration that this high proportion of delivery was reliant on a number of 100% affordable housing sites coming forward, while other sites in the pipeline are expected to have differing proportions of affordable housing. BDC have informed AECOM that while delivery has commenced on several more 100% affordable housing schemes, including Green Lane West (Southern parcel – Charles Church) and Land East of Green Lane West (Orbit Homes 100% affordable housing), other schemes currently in planning or approved in Rackheath are expected to deliver around 28-33% affordable housing.

4.51 An important exception to this for future delivery is site GT16, which had initially agreed an upper limit of 10% Affordable Housing with BDC. It is understood that delivery is likely to be lower still given recent negotiations for a further reduction to reflect a request for additional space for a potential leisure facility. Given that the majority of future housing growth in the near- to mid-term is expected to come through this large site, its potentially low proportion of Affordable Housing will be a key constraint on affordable delivery.

4.52 The overall proportion of housing that must be affordable over the plan period is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of likely need for Affordable Housing in the NA, particularly over the longer term, taking into account its status as a growth location expecting significant influx of population from around the Greater Norwich area and beyond. Therefore every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan, which in this particular case is not possible. If this is nevertheless of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

4.53 How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures, such as the balance between rented tenures and routes to home ownership, is left as a matter to be informed by the latest local evidence. In the case of the vast majority of development projected for Rackheath, the percentage is likely to be determined

as part of the emerging Masterplan for the AAP growth area (and is understood to be less than 10% for site GT16). For smaller schemes, a different appropriate percentage could be discussed with the local authority, but is likely to have to be based on borough wide evidence of need from the Greater Norwich HNA (see above), which resulted in a policy target of 33%, with an indicated mix of 71% for rent and 29% for sale (although the mix did not make it into GNLP policy).

## **Affordable Housing at Neighbourhood level**

- 4.54 The Rackheath NP level HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Rackheath on the basis of identified housing need and a range of other considerations detailed in Appendix D. Note that, as explained above and in Appendix D, in the special case of Rackheath, where the majority of affordable housing need is likely to be generated by an influx and growth of wider Greater Norwich population, rather than by the smaller existing population, the most appropriate evidence is the wider Greater Norwich HNA, which suggests 33-34% affordable housing need (as a proportion of overall housing need), split into 29% for sale and 71% for rent.
- 4.55 This indicative mix, based on the wider Greater Norwich needs evidence from its HNA, is chiefly a response to the expectation that the need for affordable housing will be driven by the needs of the future, rather than current population, and that delivery of Affordable Housing will meet that 33% target in most cases, based on past delivery, but not reach it in the case of one particularly significant site. In this context of limited future delivery (compared to past rates and general policy expectations) there is value in prioritising the most acute and urgent needs.
- 4.56 The Greater Norwich HNA identified a need mix of 71% rented to 29% ownership, adjusted by one percent to meet national government policy requirements on affordable housing for sale (so 70% affordable housing for rent and 30% for sale). This appears to offer a suitable benchmark for the NA specifically, which also complies with the various minimum requirements mandated nationally.
- 4.57 First Homes appears the marginally less affordable and helpful option locally, especially at the lower discount of 30%. However, national policy is that First Homes should represent 25% of the affordable mix, so this requirement is reflected here, even though it is slightly less appropriate in Rackheath. First Homes would need to be offered at 40-50% discount to be affordable on average Rackheath incomes. In the interests of diversity and maximizing choice, and because it is a more affordable option, particularly at a 25% or lower share, a further 5% is allocated to shared ownership rather than more First Homes. Rent to Buy does not feature in the recommended mix, even though it was considered another tenure affordable locally or average or two lower earner incomes, as this would have led to very small percentage splits which were deemed as not appropriate.
- 4.58 Where the RPC wish to develop policy that deviates from that outlined in the GNLP, either by differing from the headline split between renting and ownership

or by specifying a greater level of detail around sub-tenures, it is important that they liaise with BDC to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support. Where this is appropriate evidence, BDC are likely to be open to discussion on mix, as GNLP policy does not dictate a mix and states that this should be guided by local evidence.

**Table 4-1: Indicative tenure split (Affordable Housing)**

<b>Tenure</b>	<b>Indicative mix</b>	<b>Considerations and uncertainties</b>
<b>Routes to home ownership, of which</b>	<b>30%</b>	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	5%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	0%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
<b>Affordable Housing for rent, of which</b>	<b>70%</b>	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

*Source: AECOM calculations*

## **Conclusions- Tenure and Affordability**

### **Current tenure profile**

4.59 Rackheath's current tenure profile is formed predominantly of home-owners, making up around 76% of households, followed by social and private renters, accounting for 12 and 10% of households respectively. Only 2% of households live in shared ownership homes. This is very similar to the picture across the wider District, except that across Broadland as a whole, there are slightly more private than social renters, compared to the NA. Proportions at a national level show slightly less owner occupation and more renting overall.

4.60 Over the intercensal period 2011-2021, the proportion of owner occupation in Rackheath remained roughly the same, but the affordable sector, both for sale and rent, and the private sector both considerably increased, by nearly 50% for social housing and 30% for private renting.

### **Affordability**

4.61 Between 2014 and 2023, mean house prices in the NA have been rising steadily, by 70% or £137,500 overall. This is significantly above the average nationally, at 45%. The housing type for which prices increased most were detached (61%) and semi-detached houses (51%), although overall they were already the most expensive types of housing at the start of the period. Prices for terraces actually fell slightly by 2%, while insufficient price data was available to chart overall price changes in flats.

4.62 The average total annual household income in Rackheath was £49,600 in 2020 (the most recent year for this data), while the gross lower quartile income for a single earner was £19,960 or £39,920 for dual income households across Broadland (this data is not available for smaller areas).

4.63 Comparing these local income levels with the cost of different tenures indicates that affordability of owner occupation or market renting in the area is relatively poor. None of the average income groups considered are able to afford to market purchase or rental prices, except for entry level market rents.

4.64 Only households with above average incomes or a particularly large deposit are able to buy an average priced, or entry level market home in Rackheath. Households on average incomes or with two lower quartile incomes cannot afford average market rents, but can afford entry-level market rents. All affordable housing products, except First Homes at the lowest (30%) level of discount are affordable to those on average incomes. Households with two lower quartile earners can afford First Homes only if at 50% discount, and shared ownership only if they purpose a 25% or lower equity share. The proportion of the population which can rent but can't buy is relatively significant and includes households with incomes between £36,520 and £64,929. Those on single lower quartile incomes in Rackheath can only afford social and affordable rent without recourse to benefits.

4.65 It appears unlikely that there are general viability issues with developing discount home ownership products, in the NA, given historic and pipeline supply. Discounted prices appear not to fall beneath average build costs.

### **The need for Affordable Housing**

4.66 In terms of the quantity of Affordable Housing, in the special case of Rackheath, neither the approach of pro-rating Greater Norwich HNA figures to the local parish population, nor a targeted calculation based on the local housing waiting list are deemed appropriate. This is because the current local parish population and current housing waiting list are based on a small current population. Rackheath is located in a major growth area of the recently adopted GNLP, and

anticipates significant growth, which will accommodate a much larger new and growing population, addressing housing needs from elsewhere in the wider housing market area.

4.67 To illustrate the extent of the discrepancy, the number of households:

- in the 2021 Census in Rackheath is 856;
- currently, estimated based on Census + recent development is 1,203; and
- projected for the end of the plan period (taking into account the 4,565 units in the pipeline) is 5,768 (674% of the household number in the 2021 Census).

4.68 Therefore, the most appropriate and likely affordable housing needs percentage, as a per cent of total housing delivery, appears to be that based on the findings of the Greater Norwich HNA, i.e. 33% of all housing needing to be delivered as affordable housing, based on wider Greater Norwich needs, with 29% need for affordable housing for sale, and 71% for rent. Based on a projected total of 5,768 households likely to live in the NA by the end of the plan period, this would mean a total need for 1,903 units of affordable housing (33% of 5,768), minus the approximate 292 affordable units of stock currently present, which results in a residual need for 1,611 units, with 1,144 (71%) needed for rent and 467 (29%) for sale.

4.69 Both affordable housing for rent and for sale are likely to continue to fulfil an important role in meeting housing needs in Rackheath over the plan period, considering the housing affordability situation described above, especially if the very significant housing growth planned for Rackheath and the wider area is to be sustainable and the housing accessible for local people on average and lower local incomes. Therefore, meeting the need more urgent need for social and affordable rent should be prioritized, in line with the suggested mix. It is unlikely that Affordable Housing delivery over the plan period will meet these needs given a reduction in the delivery expectation on a major site.

### **Affordable Housing policy**

4.70 Table 4-2 summarises Rackheath's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the likely housing delivery figure (based on the very significant development plan allocations and pipeline permissions in the NA) for the area to the Local Plan policy expectation (or alternatives where this is known – notably for site GT16), and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

4.71 Note that because (as explained earlier in our report and in Appendix D), it is not accurately possible nor appropriate to calculate an affordable housing need for Rackheath on the basis of the current population or affordable housing waiting list, the estimated need for affordable housing, being based on the Greater Norwich HNA wider identified need, which informed the GNLP policy target, is naturally close to the expected level of delivery as set out below.

**Table 4-2: Estimated delivery of Affordable Housing in Rackheath**

	<b>Step in Estimation</b>	<b>Expected delivery</b>
A	Residual housing requirement figure (based on sum of allocations and commitments)	4,565
B	Affordable housing quota (%) in LPA's Local Plan	10% or under for 3,850 (site GT16) 33% for the remaining 715
C	Potential total Affordable Housing in NA (A x B)	619
D	Rented % (e.g. social/ affordable rented)	70%
E	Rented number (C x D)	433
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	30%
G	Affordable home ownership number (C x F)	186

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

4.72 This expected level of delivery, of 619 units does not meet the quantity of demand identified in estimates of the need for affordable housing for Rackheath in this HNA (for 1,611 affordable units), based on the need identified as a percentage for the wider Greater Norwich population in the Greater Norwich HNA.

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

## 5. Type and Size

### Introduction

- 5.1 It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.
- 5.2 This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this chapter of the HNA. The evidence gathered here can be used to justify planning policies either on its own or in combination with survey results expressing the specific wants and concerns of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the neighbourhood plan.
- 5.3 This chapter has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
  - To describe characteristics of the local **population** that are relevant to housing need; and
  - To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.
- 5.4 It is important to keep in mind that housing need is not an exact science. To get from a set of facts about the population to an ideal mix of homes requires making assumptions. For example, there are clear patterns about what size of home families tend to live in at different stages of life. However, a variety of other reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. Some trends can also change rapidly over time, such as the increasing preference for home working.
- 5.5 The conclusions and recommendations given here are therefore not definitive. Rather, they are what the statistics suggest future needs will look like based on current trends. This is sufficient for justifying planning policies, but it is also appropriate to take into account other factors and evidence if desired.

### Definitions

- **Dwelling type:** whether a home is detached, semi-detached, terraced, a flat, bungalow or other type. Which a household chooses to occupy tends to be more about wealth and preference than a specific need.
- **Dwelling size:** how many rooms or bedrooms a home contains. While this could also mean floor area or number of storeys, the number of bedrooms is most reliably recorded in housing statistics. Bedroom numbers are also closely linked to family size and life stage.

- **Household:** a unit of people who live together, commonly a family, couple or single person. Not all dwellings contain a household, including properties that are vacant and second homes, so the number of dwellings and the number of households in an area is usually different.
- **Household composition:** the specific combination of adults and children who form a household. The Census offers a number of categories, for example distinguishing between families with children who are dependent or non-dependent (i.e. adults). 'Other' households in the Census include house-sharers, groups of students, and multi-family households.
- **Household life stage:** the age of the lead member of a household – usually the oldest adult, or what used to be called the 'head of household'. Life stage is correlated with dwelling size as well as wealth.
- **Housing mix:** the range of home sizes and types in an area.
- **Over- and under-occupancy:** the degree to which the size and composition of a household lines up with the number of bedrooms in their home. If there are more bedrooms than the household would be expected to need, the home is considered under-occupied, and vice versa.

## The current housing mix

5.6 This section establishes the current housing mix of Rackheath, highlighting recent changes to it and comparing the mix to wider averages.

### Dwelling type

5.7 Table 5-1 below shows that Rackheath's current mix of dwelling sizes is strongly biased towards the typically least dense and largest dwelling types, of detached and semi-detached houses (62% and 29% respectively). The NA only contains very few denser dwelling types, with terraced properties and flats making up 7% and 3% of the total.

5.8 It is difficult to highlight meaningful differences in recent years because of a change in the way the Census counts properties: in 2011 the total aligned with the number of dwellings; in 2021 it aligns with the number of households. Because some dwellings are not occupied by a household (vacant or second homes for instance), the 2021 data tends to slightly undercount the number of dwellings. However, comparing dwellings completions data from BDC with the difference between 2011 dwellings numbers and 2021 household numbers in the table below, these appear to be very similar (76 completions prior to 2021 versus 78 units difference between the Census 2011-2021). This means there are unlikely to be many vacant or second homes in Rackheath at present.

5.9 A further potential source of discrepancies in the data relates to the fact that the Census divides dwellings into a standard set of categories that does not include bungalows: a detached bungalow will be counted only as a detached house, and so forth. It is therefore useful to refer to Valuation Office Agency (VOA) data,

which is based on council tax reporting and is in other respects less precise, but which does separate out bungalows as a separate category. VOA counts 320 bungalows in Rackheath, out of a total 900 homes, making up the largest dwelling category in the NA, at 36% of all homes. Bungalows make up a slightly higher proportion in Rackheath than across wider Broadland (31%), and a significantly higher proportion than nationally (9%). Bungalows tend to appeal to older households and those with mobility limitations, so this element of Rackheath's current housing stock may be linked to the age profile of the population, considered later in this chapter.

5.10 It is also worth noting that bungalows tend to represent the least dense form of development, which chimes with Rackheath's high percentage of detached and semi-detached properties in the Census. Finally, it is worth noting that bungalows tend not to feature very strongly, or usually not at all, in the dwelling type mix of new housing built. Therefore, the stock of bungalows is unlikely to increase over the plan period, while other, denser dwellings types are likely to increase significantly, as part of the projected 4,565 unit increase in housing over the plan period.

**Table 5-1: Accommodation type, Rackheath, 2011-2021**

Type	2011	%	2021	%
Detached	480	61.6%	483	56.4%
Semi-detached	222	28.5%	252	29.4%
Terrace	52	6.7%	82	9.6%
Flat	25	3.2%	38	4.4%
Total	779	-	857	-

Source: ONS 2021 and 2011, VOA 2021, AECOM Calculations

5.11 Looking at more detail on recent additions to the dwelling stock, the most recent completions data shared by the local authority at the time of writing (shown in Table 2-1) shows the 403 net housing completions, with no detail given on the dwelling type and size, except on one scheme which mentions two detached houses. A closer examination of the schemes with the largest number of recent completions on BDC's planning applications search online is not necessarily representative, as this consists entirely of affordable units, which sometimes are denser than market development, but nevertheless gives a rough indication:

5.12 Land South of Green Lane East, Rackheath (Ref.: 20200855) – 100% affordable scheme with all 157 units completed by Nov 2023 – contains:

- 44 (28%) detached houses
- 1 (under 1%) semi-detached houses (although some end of terraces will also effectively be semi-detached, but we do not have numbers for these)
- 6 (3%) bungalows
- 98 (62%) terraces
- 8 (5% flats)

5.13 The above indicates that the majority of recent new development appears to consist of slightly denser building types, such as terraces. This is typical of newer developments. However, as mentioned above, this is a 100% affordable development and therefore not necessarily representative of the market housing likely to be built. It is still worth noting that very few flats and bungalows are proposed (so the most and least dense dwelling types), but still with a significant proportion of detached homes.

5.14 Looking at the masterplan<sup>13</sup> for the majority of new homes (3,850 units at North Rackheath), it is not currently possible to identify the specific proposed mix.

5.15 Table 5-2 compares the NA mix to wider benchmarks. It shows Rackheath's type mix is marginally different from that across Broadland as a whole. The NA has an even higher lower proportion of the least dense accommodation types, which are detached and semi-detached houses, and an even lower proportion of more dense dwelling types including terraces and flats than the District as a whole, which is already dominated by less dense dwelling types compared to the rest of the country.

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

Type	Rackheath	Broadland	England
Detached	56.4%	45.8%	22.9%
Semi-detached	29.4%	37.7%	31.5%
Terrace	9.6%	10.6%	23.0%
Flat	4.4%	5.2%	22.2%

Source: Census 2021, AECOM Calculations

## Dwelling size

5.16 Table 5-3 below presents the current housing mix in terms of size. It shows that the largest category is 3-bedroom homes, making up nearly half of all dwellings, followed by homes with 4 or more bedrooms, which make up a third. Smaller one and two bed units make up 4% and 19% respectively, so about a quarter in total. This is almost unchanged since 2011 and consistent with the pre-dominance of less dense dwelling types, so primarily bungalows, detached and semi-detached homes, discussed above.

**Table 5-3: Dwelling size (bedrooms), Rackheath, 2011-2021**

Number of bedrooms	2011	%	2021	%
1	21	2.8%	38	4.4%
2	174	22.8%	164	19.2%
3	338	44.4%	373	43.6%
4+	229	30.1%	281	32.8%
Total	762	-	856	-

Source: ONS 2021 and 2011, AECOM Calculations

<sup>13</sup> [Redevelopment of Land North of Rackheath, Norwich - Taylor Wimpey](#)

5.17 Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 shows that Rackheath is relatively similar to the wider District when it comes to the number of bedrooms per property, although Broadland predictably has fewer homes with four or more bedrooms and some more smaller units with one or two bedrooms.

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

Number of bedrooms	Rackheath	Broadland	England
1	4.4%	5.6%	11.6%
2	19.2%	24.3%	27.3%
3	43.6%	43.7%	40.0%
4+	32.8%	26.5%	21.1%

*Source: Census 2021, AECOM Calculations*

5.18 Looking again at the development with the largest number of recent completions (Land South of Green Lane East), the size mix on this development is concentrated in the middle of the size spectrum, 2 and 3 bed dwellings:

- 12 (8%) one bedroom
- 53 (34%) two bedroom
- 69 (44%) 3 bedroom
- 23 (15%) four bedroom.

5.19 Again, this points towards new development being likely to continue the predominance of 3 bedroom homes, but with slightly fewer 4+ bed and more two bed properties in the mix.

## Population characteristics

5.20 This section examines key characteristics of the local population that have a bearing on what housing might be needed in future years. Where available, recent data is used. However, for some information it is necessary to fall back on the 2011 Census.

### Age

5.21 The greatest share of Rackheath's current population is composed of the middle aged working population age group aged 45-64 (27%) and the younger adult population age group aged 25-44 (25%). Young children under 14 are the third most populous age group, followed by those aged 65-84, teenagers and young adults, and those aged over 85 (18%, 16%, and 4% respectively). This means that Rackheath's population is relatively young, especially compared to many small settlements elsewhere in the country.

5.22 Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. This shows the pace of ageing in Rackheath, as in many rural locations around the country. The population in the cohorts aged over 65 has expanded by more than 14% in the past decade, with a 43% increase in the oldest age group aged 85 and over. However, unlike many other smaller

settlements around the country, not all younger age groups have actually declined in their share of the population at that same time, and neither has the population shrunk. This is likely related to the fact that Rackheath is located within the greater Norwich area, and is also in the process of growing and thus attracting and retaining younger working population and families with children.

5.23 Two age groups that have grown significantly are teenagers and young adults (27% increase) and the middle aged working population between 45-64 (22% increase). Therefore, while the ageing population is likely to represent a key driver of housing need as more people enter age groups associated with changing accommodation requirements, this is not likely to represent the only driver of housing need, especially considering significantly more housing will be built in the near future in Rackheath, and judging by the proposals and permissions, not all of this appears to be aimed at housing and attracting the retired population.

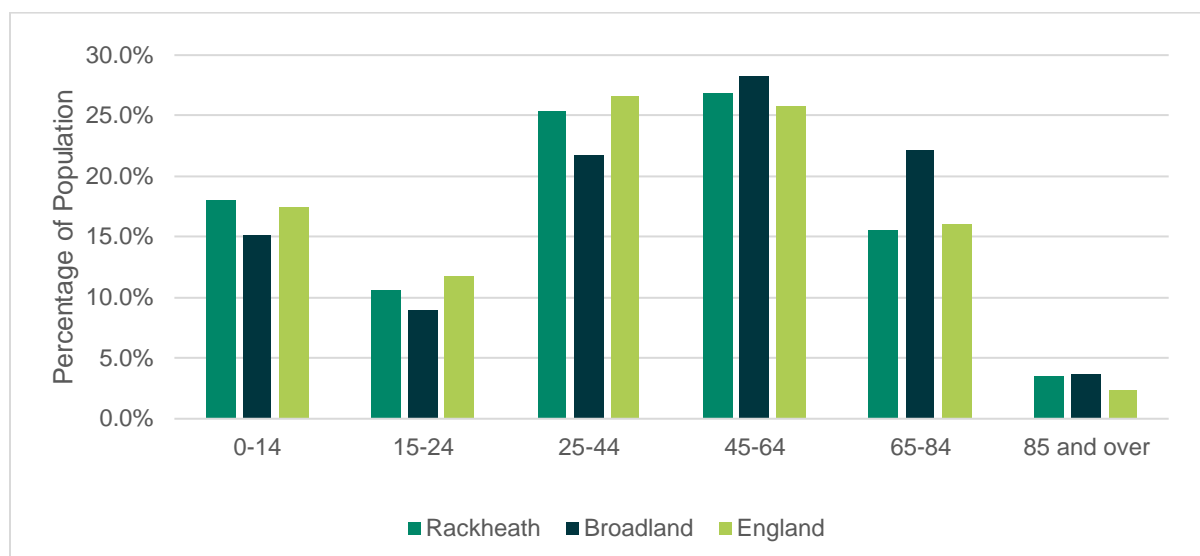
5.24 New residential development also has a greater tendency to attract and retain a younger population, while also having the potential to help serve the evolving needs of older people, due to improving standards on adaptability.

**Table 5-5: Age structure of Rackheath, 2011 and 2021**

Age group	2011 (Census)		2021 (Census)		Change
0-14	418	21.2%	387	18.0%	-7.4%
15-24	180	9.1%	229	10.7%	+27.2%
25-44	557	28.2%	545	25.4%	-2.2%
45-64	472	23.9%	575	26.8%	+21.8%
65-84	292	14.8%	334	15.6%	+14.4%
85 and over	53	2.7%	76	3.5%	+43.4%
Total	1,972	-	2,146	-	+8.8%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.25 For context, it is also useful to look at the NA population structure alongside that of the District and country. Figure 5-1 (using 2021 Census data) shows that Rackheath's population age profile is closer to that of England as a whole than to that of the District, with Broadland population being older than the NA and national average. The large 65-84 age cohort in the District is particularly likely to translate into a significant increase in the 85+ cohort over the Plan period, which may increase people's needs for accessibility adaptations or additional care and support across Broadland. However, it is also worth bearing in mind that this is also likely to affect who will live in the significant new housing developments in Rackheath in the future, as the NA is destined to provide for some of the Greater Norwich housing need, and may therefore need to accommodate a greater proportion of older people with needs for accessibility adaptations or additional care and support than is indicated below.

**Figure 5-1: Age structure in Rackheath, 2021**

Source: ONS 2021, AECOM Calculations

## Household composition and occupancy

5.26 Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that Rackheath has a lower proportion of single-person households than Broadland, and a correspondingly higher proportion of family households. This fits with the picture described above, based on the population's age profile. Most households across the NA, as well as across the District and country are composed of couples or families, but Rackheath has a lower share of older couples and older single person households and a higher share of families including dependent children than wider averages.

5.27 Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. This group expanded by 38% between 2011 and 2021 in the NA, which is significantly higher than the District and national averages of 13% and 3.5%. However, the resulting share of these households is not too dissimilar to the Broadland and England average in 2021. This may mean that in Rackheath it was previously less common for dependent children to stay living at home, a situation which is now adjusting to become more common, due to affordability issues with buying or renting a first own home.

**Table 5-6: Household composition, Rackheath, 2021**

<b>Household composition</b>		<b>Rackheath</b>	<b>Broadland</b>	<b>England</b>
<b>One person household</b>	<b>Total</b>	<b>23.1%</b>	<b>28.1%</b>	<b>30.1%</b>
	Aged 66 and over	10.5%	15.1%	12.8%
	Other	12.5%	13.0%	17.3%
<b>One family only</b>	<b>Total</b>	<b>72.0%</b>	<b>68.2%</b>	<b>63.1%</b>
	All aged 66 and over	10.5%	14.5%	9.2%
	With no children	19.4%	20.0%	16.8%
	With dependent children	30.3%	23.5%	25.8%
	With non-dependent children <sup>14</sup>	10.2%	9.9%	10.5%
<b>Other household types</b>	<b>Total</b>	<b>4.9%</b>	<b>3.7%</b>	<b>6.9%</b>

Source: ONS 2021, AECOM Calculations

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

5.29 Table 5-7 shows that 34% of households have one more bedroom than they would be expected to need, and 49% have at least two more. This means that 82% of households in Rackheath, so the vast majority, under-occupy their home, which is unsurprising considering the large number of average bedrooms in the local dwelling stock, but a usually more common for populations dominated by older households and households without children. This suggests that the NA's larger housing is not necessarily being occupied by those larger family households, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties. As the data shows, those groups with the highest tendency to under-occupy their dwelling are families and single persons without children, and particularly couples over the age of 65.

5.30 There are very few households with too few bedrooms for the size of the occupying households, and these are exclusively occupied by families with children. This suggests that affordability difficulties are causing a small number of family households with children, including adult children, to live in overcrowded accommodation. This further supports the need for more affordable family accommodation to continue to retain families in the NA.

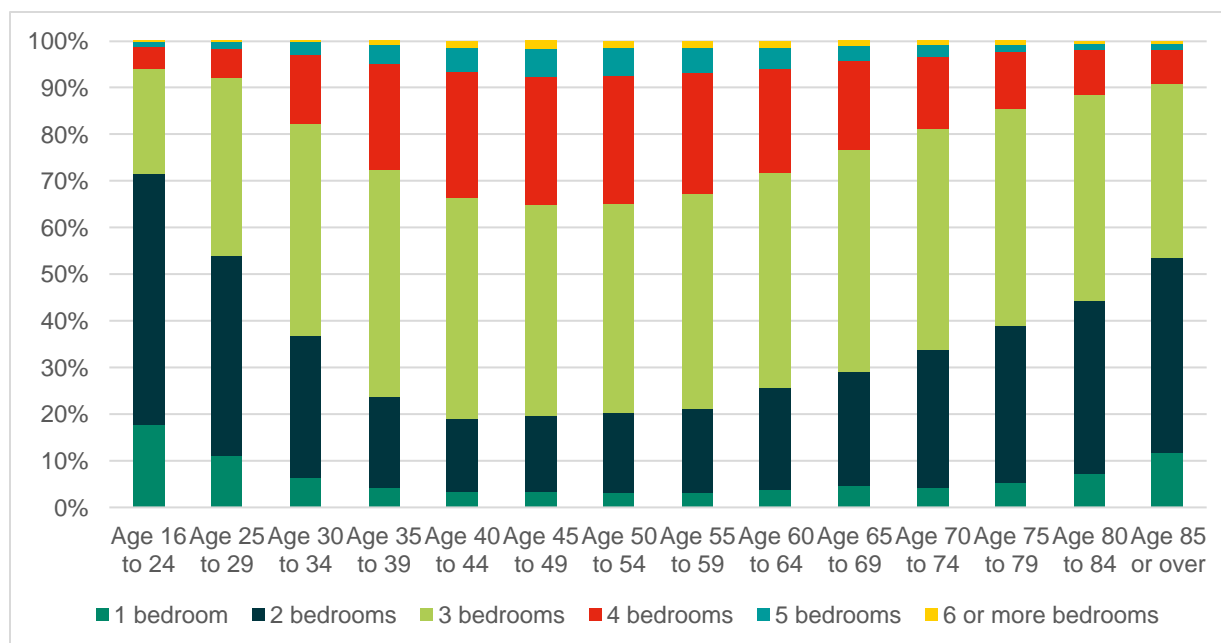
<sup>14</sup> Refers to households containing children who are older than 18 e.g students or young working people living at home.

**Table 5-7: Occupancy rating by age in Rackheath, 2021**

Household type	+2 rating	+1 rating	0 rating	1 rating
Family 66+	76.8%	20.2%	3.0%	0.0%
Single person 66+	57.6%	34.8%	7.6%	0.0%
Family under 66 - no children	76.5%	19.3%	4.2%	0.0%
Family under 66 - dependent children	29.9%	42.1%	26.8%	1.1%
Family under 66 - adult children	23.9%	46.6%	27.3%	2.3%
Single person under 66	52.8%	29.6%	17.6%	0.0%
All households	48.8%	33.5%	16.5%	1.2%

Source: ONS 2021, AECOM Calculations

5.31 As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-2 sets out this relationship for Broadland in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age. However, as the graph below shows, older households in Broadland do not tend to return to homes as small as those occupied by the youngest age groups, even when aged 85 and over.

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

Source: ONS 2011, AECOM Calculations

## Future population and size needs

5.32 This section projects the future age profile of the population in Rackheath at the end of the Neighbourhood Plan period and then estimates the mix of dwelling sizes they may need.

## Age

5.33 The result of applying Local Authority level household projections to the age profile of Rackheath households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven primarily by the oldest households, with those aged 65 and over projected to grow by 75%. However, as mentioned above, younger households are also expected to grow, although by a lesser rate, and the proportion of the youngest households aged 24 and under is projected to shrink by 10%.

5.34 However, as for all data projections for Rackheath, these should be treated with extreme caution, as they are only calculations based on the 2021 population of Rackheath, while the future population will be dominated by those households who will occupy the significant new developments being constructed at present and in the near future. As a reminder of the extent of this discrepancy, the number of households:

- in the 2021 Census in Rackheath is 856;
- currently, estimated based on Census + recent development is 1,203; and
- projected for the end of the plan period (taking into account the 4,565 units in the pipeline) is 5,768 (674% of the household number in the 2021 Census).

**Table 5-8: Projected age of households, Rackheath, 2011 - 2045**

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	11	104	338	115	194
2045	10	119	345	124	339
% change 2011-2045	-10%	+14%	+2%	+8%	+75%

Source: AECOM Calculations

5.35 The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-8 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

5.36 Note however, that this approach has initial limitations that apply to every location, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.

5.37 Secondly, the approach has further limitations in the specific case of Rackheath, due to the rapid growth projected for the NA, which will mean that the future population is much more likely to be shaped by the characteristics of wider Greater Norwich, and also likely to attract a younger population profile like all development, than would be suggested by our projections based on the Census 2021 population of Rackheath.

5.38 The result of the exercise is presented in Table 5-9. In essence, the goal indicated here is a retained prevalence of 3 bedroom homes, with slightly more smaller one and two bed dwellings, and slightly fewer homes with 4 or more bedrooms. This is incidentally not dissimilar to the mix of the recent development detailed above (Land South of Green Lane East). However, it is suggested that this suggested mix is treated with caution, due to the factors discussed above.

**Table 5-9: Suggested dwelling size mix to 2045, Rackheath**

<b>Number of bedrooms</b>	<b>Current mix (2011)</b>	<b>Suggested mix (2045)</b>	<b>Balance of new housing to reach suggested mix</b>
1	2.8%	5.2%	14.7%
2	22.8%	25.7%	35.0%
3	44.4%	45.2%	45.1%
4	22.4%	19.3%	5.2%
5+	7.6%	4.6%	0.0%

*Source: AECOM Calculations*

5.39 The following points sense-check the results of the model against other evidence and suggest further ways to interpret them when thinking about policy options.

- AECOM are not aware of any recent household survey results that express the size preference of residents, and whether this would validate or point to an adjustment of our model. However, Taylor Wimpey may have survey, engagement and other feedback as part of their current consultation on their masterplan which they could be asked to share.
- As mentioned above, future development is likely to accommodate a population drawn primarily from Greater Norwich. Thus, we recommend that RPC should discuss with BDC, the implications of this on a preferred mix for future development, using the Greater Norwich HNA as a starting point. The latter reaffirms the primary need for more 3-bedroom houses to be 51% of all homes, followed by 1-2 bed houses and 4 bed houses (16 and 15% respectively), and smaller proportions of need for 5+ bedroom homes (4%) and flats (13%). Note also that for market housing, the larger size categories make up slightly higher proportions than for affordable housing.
- AECOM propose that the Greater Norwich mix is to be preferred when considering policy options on size mix, over the AECOM calculations in 5-9.

**Table 5-1: Overall need for Affordable and Market Housing across Greater Norwich by property size (Figure 51 of the Greater Norwich HNA)**

GREATER NORWICH		Affordable Housing			Total Affordable Housing	Total Market Housing	Total
		Households Unable to Afford		Aspiring to Home Ownership			
		Social rent	Affordable Rent				
Flat	1 bedroom	730	61	682	1,473	958	2,431
	2+ bedrooms	683	140	414	1,237	1,464	2,701
House	1-2 bedrooms	1,429	501	637	2,567	3,638	6,205
	3 bedrooms	2,043	901	1,101	4,046	15,800	19,846
	4 bedrooms	465	186	183	834	5,101	5,935
	5+ bedrooms	117	46	42	205	1,226	1,430
<b>DWELLINGS</b>		<b>5,467</b>	<b>1,835</b>	<b>3,058</b>	<b>10,360</b>	<b>28,188</b>	<b>38,548</b>
C2 Dwellings						892	892
<b>LHN</b>		<b>5,467</b>	<b>1,835</b>	<b>3,058</b>	<b>10,360</b>	<b>29,080</b>	<b>39,440</b>
LHN per year		273	92	153	518	1,454	1,972
<b>% of total LHN</b>		<b>14%</b>	<b>5%</b>	<b>8%</b>	<b>26%</b>	<b>74%</b>	<b>100%</b>

- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type, and density for local residents' budgets.
- Continuing to provide some smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether large numbers of 1 bedroom homes are suitable given the area's character and current density, particularly considering younger growing households and the high proportion of families.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. More of this is discussed in the following chapter.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable. Note that this may not always be about providing bungalows, although it is recognised these are popular in the area, based on feedback received from RPC, but due to their low density and thus high land-take, level access flats may provide a reasonable and more affordable alternative.

## Tenure

- 5.40 The recommendation discussed immediately above applies to all housing in the NA over the Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play, especially as the Greater Norwich HNA provides this sort of information (see table 5-1 above).
- 5.41 Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter and also born out in the Greater Norwich HNA data.
- 5.42 There are three key sources of information for thinking through the size needs of different categories. These are:
- The Greater Norwich HNA, which sets out the projected need by size within each tenure over the long-term, as discussed above, and is deemed, in the specific case of Rackheath to be the most appropriate source of information, as the majority of Rackheath's future population is likely to be drawn from wider Greater Norwich.
  - The waiting list for affordable rented housing, kept by the Local Authority usually also provides a more current snapshot of the size needs of applicant households. However, in the case of Rackheath this is currently very low (only 9 households) and thus unlikely to be representative, as most households previously on the waiting list have recently been housed in new affordable developments.
  - Any relevant household survey or consultation work in the NA can also highlight any specific gaps in the market within particular segments of the population. Again, it may be worth RPC discussing available information with Taylor Wimpey and BDC.
- 5.43 To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes while market homes focus on mid-sized homes and some larger options. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

5.44 In the case of Rackheath, where all new housing is already either allocated or permitted, the greatest impact is likely to be had through discussions with Taylor Wimpey and BDC, to try and shape the mix in the emerging Masterplan for North Rackheath.

## **Type**

5.45 Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.

5.46 The key distinctions when it comes to dwelling type are between flats and houses and bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.

5.47 The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Rackheath and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.

5.48 In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the RPC and community to consider, in discussion with BDC and major developers, most particularly Taylor Wimpey as they work on the emerging North Rackheath Masterplan.

## **Conclusions- Type and Size**

### **The current housing mix**

5.49 With regards to the current dwelling type mix, Rackheath is currently characterised by a mix of homes which is strongly biased towards the typically least dense and largest dwellings types, with detached and semi-detached houses forming the two most common dwelling types, representing 62 and 29% of the dwelling stock respectively. Terraced houses and flats are much less

common, representing around 7% and 3% of local stock each. Bungalows represent the majority of all homes in the NA, at 36% of all homes. This is an unusually high proportion that may be linked to the area's demographic profile and valued as a distinctive characteristic of the local housing stock.

- 5.50 Rackheath's housing stock is relatively similar to that of Broadland as a whole in terms of type, with the NA containing an even higher proportion of the least dense detached and semi-detached housing types, and an even lower proportion of more dense dwelling types including terraces and flats. The lack of terraces and flats may reflect density patterns aligned with local character, which may be a feature the Steering Group wish to protect and enhance rather than change.
- 5.51 Recent development in Rackheath appears to feature a greater proportion of terraces, but still a significant proportion of detached houses and very few flats or bungalows.
- 5.52 Housing in Rackheath tends to be primarily mid-sized sized dwellings with 3-bedroom homes making up nearly half of all dwellings, followed by larger homes of 4 or more bedrooms, which make up a third. Smaller 1 and 2-bedroom homes make up only about a quarter of all homes in total at present.
- 5.53 Over the intercensal period the size mix in Rackheath has remained almost unchanged, but has the potential to change completely, considering that significantly more dwellings are proposed to be built over the plan period than exist in the NA at present.

### **Population characteristics**

- 5.54 Rackheath's current demographic profile is roughly in line with that of the country as a whole, but with less of a skew towards older age groups compared to the rest of the District. The greatest share of the population is composed of the middle aged working population age group aged 45-64 (27%) and the younger adult population age group aged 25-44 (25%). Young children under 14 are the third most populous age group, followed by those aged 65-84, teenagers and young adults, and those aged over 85 (18%, 16%, and 4% respectively). Between the 2011 and 2021 censuses there has been a very significant proportional increase in the number of persons in the oldest age group, aged 85+, as well as significant growth in some of the younger age groups. The only age groups that have declined slightly in terms of proportion of the total are children under 14 and those aged 25-44.
- 5.55 At present, the NA has a majority of couple and family households (72%), but with a not insignificant proportion of one person households (23%), but this is lower than for the district and country as a whole (28% and 30% respectively). Other households, such as flat shares, make up 5% in the NA and 4% across Broadland. Over the intercensal period, the proportion of one person households has grown much more than family households. Within family households, the category that has grown most is those with adult non-dependent children.

5.56 Analysis of over-and under-occupation in Rackheath shows that a very high proportion of around 82% of households have at least one more bedroom than they would be expected to need. 50% have at least two more rooms than they likely need. This is particularly the case families and single persons without children, and particularly families and couples over the age of 65. There are very few households with too few bedrooms, and they are exclusively occupied by families with children.

5.57 Analysis of over-and under-occupation in Rackheath shows that a very high proportion of around 82% of households have at least one more bedroom than they would be expected to need. 50% have at least two more rooms than they likely need. This is particularly the case families and single persons without children, and particularly families and couples over the age of 65. There are very few households with too few bedrooms, and they are exclusively occupied by families with children.

### **Future population and size needs**

5.58 Household projections, based on Rackheath's Census 2021 population, indicate that the number of households aged 65+ is expected to increase by 75% by the end of the Plan Period. Younger households are also expected to grow, although by a lesser rate, and the proportion of the youngest households aged 24 and under is projected to shrink by 10%. The trend toward ageing means that over the Neighbourhood Plan period it is likely that more households will enter the older age brackets at which point people's housing needs tend to change – for example, requiring accessibility adaptations or additional support. This data points toward a need for adaptable homes, a topic considered in greater detail in the next chapter.

5.59 Combining these household projections with dwelling size patterns can give an indication of what size of new dwellings might be needed by the end of the Plan Period. The split resulting from AECOM's calculations would recommend that

- 15% of additional units should have 1-bedroom,
- 35% should have two bedrooms 3-beds,
- 45% three bedrooms, and
- 5% four or more bedrooms.

5.60 However, considering the very significant volume of housebuilding expected over the plan period in the NA, the number of households expected to exist in the NA by the end of the plan period are likely to constitute 674% of the number of households captured in the 2021 Census. The future population is therefore more likely to represent characteristics displayed by the wider Greater Norwich population, rather than the current population of Rackheath.

5.61 AECOM thus recommend the following split proposed in the Greater Norwich HNA:

- 13% of additional units should be 1-2 bedroom flats,

- 16% should be 1-2 bedrooms houses,
- 51% three bedrooms, and
- 19% 4+ bedroom houses.

5.62 As set out in table 5-1, the Greater Norwich HNA details the proportion of need by dwelling size separately for affordable and market housing, showing that for market housing, the larger size categories make up slightly higher proportions of the overall requirement than for affordable housing. Needs for rising numbers of older households, in addition to families, should also be considered, particularly as wider Broadland as a more rapidly aging population than Rackheath.

5.63 It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to the GNLP and Growth Triangle AAP) and site-specific factors, including potential viability challenges.

5.64 As the majority of housing likely to be built over the plan period in the NA is already allocated and/or permitted, the greatest impact on size and type mix is likely to be had through discussion by RPC with Taylor Wimpey and BDC, over the emerging Masterplan for 3,850 units of housing in North Rackheath.

## 6. Specialist housing for older people

### Introduction

- 6.1 It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Rackheath. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:
- To review the **current provision** of specialist housing in the NA;
  - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
  - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 6.2 Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.
- 6.3 It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.<sup>15</sup>
- 6.4 This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).<sup>16</sup> Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.
- 6.5 The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

<sup>15</sup> See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

<sup>16</sup> For a full description of Planning Use Classes, please refer to [https://www.planningportal.co.uk/info/200130/common\\_projects/9/change\\_of\\_use](https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use)

## Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, 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.
- **Sheltered Housing<sup>17</sup>:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

## Specialist housing for older people

- 6.6 The 2021 Census indicates that at this time there were 222 individuals aged 75 or over in Rackheath.
- 6.7 There is currently no specialist accommodation in the NA, although there is a care home (Ashfields) with 44 bedspaces. It is relevant to note that the national average rate of provision for England is 136 units of specialist accommodation per 1,000 of the 75+ population.

## Demographic characteristics

- 6.8 The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Rackheath is likely to

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<sup>17</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Broadland. The results are set out in Table 6-1 below.

- 6.9 A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

**Table 6-1: Modelled projection of older population in Rackheath by end of Plan period**

Age group	2021		2045	
	Rackheath	Broadland	Rackheath	Broadland
All ages	2,146	131,722	2,486	152,595
75+	222	16,667	375	28,161
%	10.3%	12.7%	15.1%	18.5%

*Source: ONS SNPP 2020, AECOM Calculations*

- 6.10 The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
- 6.11 The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2045. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the vast majority (more than 90%) are home owners, mostly owning outright. Of the remainder, more rent from social landlords than private landlords.
- 6.12 The expected growth in the 75+ population in the NA is 153 additional individuals by the end of the plan period. This can be converted into 107 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Rackheath households are likely to need in 2045, and is shown in the bottom row of Table 6-2.

**Table 6-2: Tenure of households aged 55-75 in Broadland (2011) and projected aged 75+ in Rackheath (2045)**

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
<b>Broadland (2011 mix)</b>	<b>92.8%</b>	70.1%	22.7%	<b>7.2%</b>	6.5%	0.7%	0.1%
<b>Rackheath (2045 projection)</b>	<b>99</b>	75	24	<b>8</b>	7	1	0

Source: Census 2011

6.13 It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table E-1 in Appendix E presents this data for Rackheath from the 2011 Census.

### **Future needs for specialist accommodation and adaptations**

6.14 Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be around 48. This result reflects the need that may be expected to arise from the current (2021 Census) population of Rackheath. Clearly in practice, the needs of the wider Greater Norwich area should also be reflected in any potential delivery secured as part of the large quantity of pipeline housing supply.

6.15 AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

6.16 While this need is broadly balanced between the level of care offered, it is much more strongly weighted in favour of market as opposed to affordable housing.

**Table 6-3: AECOM estimate of specialist housing for older people need in Rackheath by the end of the Plan period**

Type	Affordable	Market	Total
Housing with care	2	20	<b>22</b>
Adaptations, sheltered, or retirement living	2	24	<b>26</b>
<b>Total</b>	<b>4</b>	<b>44</b>	<b>48</b>

Source: Census 2011, AECOM Calculations

6.17 It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. HLIN calculations

6.18 Ta2 in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Rackheath results in a total of 38 specialist dwellings that might be required to accommodate the current NA population by the end of the Plan period. This is set out in Table 6-4.

**Table 6-4: HLIN estimate of specialist housing for older people need in Rackheath by the end of the Plan period**

Type	Affordable	Market	Total
Housing with care	5	6	<b>11</b>
Adaptations, sheltered, or retirement living	9	18	<b>27</b>
<b>Total</b>	<b>14</b>	<b>24</b>	<b>38</b>

Source: Housing LIN, AECOM calculations

## Further considerations

6.19 The above estimates suggest that potential need for specialist accommodation could be in the range of 38-48 units over the Neighbourhood Plan period. While it may not normally be possible or appropriate to deliver specialist housing needs in full where this involves deprioritising other groups, such as those in need of Affordable Housing, Rackheath is expected to see a large volume of new housing over the Plan period, which is more than capable of delivering on the needs of the current NA population identified here. However, the new housing planned will also be expected to meet the needs of the wider Greater Norwich population.

6.20 Norfolk County Council's 2021 Study of Retirement Housing Demand and Planning Issues indicates a need for 831 extra care and 1,862 sheltered housing units across Broadland to 2041. The former is composed of 70% market dwellings and 30% affordable, while the latter is composed of 83% market and

17% affordable homes. It is not necessary or appropriate to pro-rate these figures to Rackheath, since the share of the District's needs supplied through the substantial new development in and around Rackheath is not in proportion to the size of the existing population. These figures, instead, provide a sense of the scale of the wider needs to which new development in Rackheath might be expected to meet. Given the large volume of planned supply it is likely that the scale of need arising from the existing NA community could be met in full, assuming that specialist housing schemes are planned.

- 6.21 Although the NA currently does not have any specialist housing and is likely to rely on Norwich to meet the changing support needs of residents, it is considered that Rackheath may, going forwards, become a suitable location for specialist accommodation. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Rackheath in other suitable locations near to but outside the Plan area boundaries).

## Care homes

- 6.22 Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
- 6.23 However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
- 6.24 Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
- 6.25 AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. For nursing care beds this is an extra 45 care beds per 1,000 people aged 75+. Based on these

rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2045 there would be a need for 10 residential care beds and 7 nursing care beds in the NA, an increase of 17 from present levels.

6.26 It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

## The Role of Mainstream Housing

6.27 The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, all of the Rackheath population aged 75 and over is likely to live in the mainstream housing stock (not counting those living in care homes, which are counted as communal establishments).

6.28 It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.

6.29 However, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Broadland.

6.30 It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings<sup>18</sup>, although changes to Building Regulations have not yet been made.

6.31 The Greater Norwich Local Plan policy 5 provides explicit encouragement for development to accommodate specific groups such as older people, and sets a target for 20% of new homes to meet national standards for accessibility and adaptability (Category M4(2)). The evidence gathered here justifies that approach.

6.32 The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales, and is not subject to a similar requirement in Policy 5. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.

6.33 Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the

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<sup>18</sup> See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Rackheath (4,565 units) to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for 27-137 wheelchair accessible dwellings over the Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

**Table 6-5: Wheelchair use Nationally Applied to Rackheath**

	Percentage in England	% applied to NA housing requirement figure (to 2045)
Households using wheelchair all the time	0.6%	27
Households using wheelchair either indoors or outdoors	3.0%	137

Source: Survey of English Housing 2018/19

## Conclusions- Specialist Housing for Older People

### Characteristics of the current older population

- 6.34 There are currently around 222 individuals aged 75 or over in Rackheath, representing 10% of the population. There are no schemes of specialist accommodation in Rackheath at present, according to the Elderly Accommodation Counsel search tool. However, there is a care home offering 44 bedspaces.
- 6.35 A clear majority (93%) of Broadland households aged 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2045) are owner occupiers, and the remainder predominantly rent from a social landlord. This is important because those currently owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent will need to rely on subsidised rented housing because they are unlikely to have the funds to buy. Rates of disability in Rackheath are also higher among social tenants than owner-occupiers.

### Projected demographic change and need for specialist housing

- 6.36 The 75+ population of the NA is projected to increase to 375 people over the Plan period, to become 15% of the population in 2040. This of course only represents ageing and minimal household growth among the existing population. In reality the size of all age cohorts is expected to expand very significantly in line with the large volume of planned residential development.
- 6.37 The growth in the existing older population, which, rather than the total, is the focus of the estimates of need here, should be converted into households because some older people will be cohabiting in old age. The projected household growth to 2045 aged 75+ arising from the existing population in Rackheath is 107.

- 6.38 The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research.
- 6.39 The two Rackheath specific estimates suggest a range of 38 to 48 specialist accommodation units might be required during the Plan period. These estimates are also broken down by tenure and level of support required. The vast majority of need is for accommodation offered for market purchase. This chimes with the higher propensity of older households to be homeowners. Around 45-75% of the need is found to be for sheltered housing with limited support rather than additional care arrangements.
- 6.40 Norfolk County Council's 2021 Study of Retirement Housing Demand and Planning Issues indicates a need for 831 extra care and 1,862 sheltered housing units across Broadland to 2041. The former is composed of 70% market dwellings and 30% affordable, while the latter is composed of 83% market and 17% affordable homes.
- 6.41 These figures provide a sense of the scale of the wider needs to which new development in Rackheath might be expected to meet. Given the large volume of planned supply it is likely that the scale of need arising from the existing NA community could be met in full, assuming that specialist housing schemes are planned.
- 6.42 The potential additional need for care and nursing home beds in Rackheath to 2045 can be roughly estimated at 17 bedspaces.
- 6.43 Currently, specialist older people's housing in the vicinity of Rackheath is concentrated in Norwich. This may be a sustainable situation going forward. However, there may also be an opportunity to attract specialist housing development in Rackheath itself for people who do not want to leave their immediate surroundings and social networks when their housing needs change in old age, as well as to meet a share of the need arising from the entire Greater Norwich area for whom much of the largescale new development in the NA is designed. The HNA evidence can be used to support specialist housing development but does not make that obligatory. How far to promote this is a choice for the Working Group and wider community.

### **Accessibility and adaptability**

- 6.44 An alternative or additional avenue to the provision of additional specialist homes is to discuss the standards of accessibility and adaptability required of new development with Broadland District Council. There is a particularly high degree of overlap between the groups served by sheltered specialist housing and adapted mainstream housing, so any unmet need for such homes identified here can be reduced through this avenue.

6.45 The Greater Norwich Local Plan provides explicit encouragement for development to accommodate specific groups such as older people and sets the specific target for 20% of new homes to meet Category M4(2) accessibility standards. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing, but this policy benchmark appears appropriate for both the evolving needs of Rackheath's existing population and the wider needs of Greater Norwich.

## 7. Next Steps

### Recommendations for next steps

7.1 This Neighbourhood Plan housing needs assessment aims to provide RPC 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 BDC, with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of BDC;
- The recommendations of the Greater Norwich HNA;
- That any projections based on the Census 2021 population of Rackheath should be treated with caution, due to the fact that the characteristics and housing needs of the future population of Rackheath is likely to be shaped more by the population of wider Greater Norwich (as set out in the Greater Norwich HNA) than by the current population of Rackheath, as the number of dwellings likely to be present by the end of the plan period far outstrips the number of households captured in the 2021 Census;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers (particularly Taylor Wimpey who are working on the emerging Masterplan for 3,850 new housing units in North Rackheath) and estate agents, bearing in mind that the greatest impact is likely to be had by RPC in shaping the emerging Masterplan in discussion with BDC and Taylor Wimpey; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by BDC as part of the GNLP and the Growth Triangle AAP.

7.2 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.

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

7.4 At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period, in particular the characteristics and housing needs

and challenges of the new population occupying the new developments, will help ensure the continued relevance and credibility of its policies.

## Appendix A : Assessment geography

- A.1 For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The NA and parish equates exactly to the single LSOA:
- LSOA E01026578
- A.2 Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. As the NA is an entire LSOA (code number provided above), this data can be used accurately.
- A.3 Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the NA is located and which will need to serve as a proxy for it, is:
- MSOA E02005527, which extends from the border of Norwich at Great Plumstead to Wroxham in the north.

# Appendix B : Local Plan context

## Policies in the adopted local plan

B.1 Table B-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Rackheath. Note that there is no emerging Local Plan to summarise here, as the Greater Norwich Local Plan (GNLP) was adopted so recently, in March 2024. The adopted development plan also includes the Growth Triangle Area Action Plan (AAP) adopted in 2016.

**Table B-1: Summary of relevant policies in the adopted GNLP 2018-2038 (adopted March 2024) and the Growth Triangle AAP (2016)**

Policy	Provisions
GNLP Policy 1 - Sustainable Growth Strategy	<p>A minimum of 45,041 new homes, 33,000 additional jobs, and supporting infrastructure will be delivered 2018-2038 across Greater Norwich.</p> <p>The settlement hierarchy is:</p> <ol style="list-style-type: none"> <li>1. Norwich urban area (Norwich and Norwich Fringe) (see glossary for definition).</li> <li>2. Main towns.</li> <li>3. Key service centres.</li> <li>4. Village clusters.</li> </ol> <p>Norwich urban area (within which Rackheath is located, as part of the Growth Triangle) has a total commitment for 27,958 homes to 2038, of which 20,976 are already delivered.</p> <p>Rackheath is also one of 10 designated key strategic employment locations.</p>
GNLP Policy 6 – The Economy	<p>25.6 hectares are allocated as key strategic employment area for general employment uses in Rackheath</p>
GNLP Paragraphs 235 and Appendix 1	<p>New infrastructure planned for Rackheath includes a potential new railway station, increased water recycling capacity, an energy substation upgrade, two new primary schools and potentially a secondary school, a new healthcare facility, and an additional library facility.</p>
GNLP Policy 5 - Homes	<p>Residential proposals should address the need for homes for all sectors of the community having regard to the latest housing evidence, including a variety of homes in terms of tenure and cost.</p> <p>New homes should provide for a good quality of life in mixed and inclusive communities and major development proposals should provide adaptable homes to meet varied and changing needs.</p>

**Policy**

**Provisions**

Affordable Housing

- Major residential development proposals will provide
- at least 33% affordable housing on-site across the plan area except where:
    - a) the site is allocated in a Neighbourhood Plan for a different percentage of affordable housing, or
    - b) the applicant can demonstrate that particular circumstances justify the need for a viability assessment at decision-making stage.
  - A mix of affordable housing sizes, types, and tenures in agreement with the local authority, taking account of the most up-to-date local evidence of housing need.

Accessible and Specialist Housing

Development proposals providing specialist housing options for older people’s accommodation and others with support needs, including sheltered housing, supported housing, extra care housing and residential/nursing care homes will be permitted on sites with good access to local services including on sites allocated for residential use unless there are significant adverse impacts that justify a refusal of planning permission.

The identification by Norfolk County Council of a strategic need for specialist housing which the proposal can address will be a material consideration.

To meet changing needs by providing accessible and adaptable homes, proposals for major housing development are required to provide at least 20% of homes to the Building Regulation M4(2) standard or any successor.

<p>GNLP Policy 7.1 – The Norwich Urban Area incl. the fringe parishes</p>	<p>Rackheath is identified as an urban fringe parish within an area identified for significant development as part of the Old Catton, Sprowston, Rackheath, Thorpe St Andrew Growth Triangle AAP.</p> <p>Existing major residential-led developments recognised in the GNLP total approximately 3,500 homes</p>
<p>GNLP B.RA1 Land to the west of Green Lane West, Rackheath</p>	<p>Allocates land for residential development of approximately 205 homes</p>
<p>B.RA.2 Land at Heathwood Gospel</p>	<p>Allocates land for residential development of approximately 15 homes</p>

**Policy**

**Provisions**

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Hall, Green Lane  
West, Rackheath

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AAP Policy GT 16:  
North Rackheath

Identifies an area of 293ha, of which 160ha will be developed as a mixed use development, with details to be determined through a Masterplan (currently in production), but a recommended 33% of affordable housing in the AAP.

(Note that there is no housing number in the policy; the supporting text paragraph 8.99-8.100 states that the mixed use development is expected to deliver approximately 3,000 new homes and that in combination with additional sites allocated to the south of Rackheath village, total development levels in the area are expected to reach at least 3,400 dwellings. The emerging Masterplan, currently being consulted on, includes 3,850 dwellings on this site)

*Source: Adopted GNLP 2018-2038*

## Appendix C : Affordability calculations

- C.1 This section outlines how the affordability thresholds discussed in the Affordability and Affordable Housing have been calculated.

### Market housing

- C.2 Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.

#### i) Market sales

- C.3 The starting point for calculating the affordability of a dwelling for sale 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. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
- C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Rackheath, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
- C.5 The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2023) = £317,500;
  - Purchase deposit at 10% of value = £31,750;
  - Value of dwelling for mortgage purposes = £285,750;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £81,643.
- C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2023 was £252,500, and the purchase threshold is therefore £64,929.
- C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry recorded 2 sales of new build properties in the NA in 2023. There were too few recent sales in the NA specifically to determine an

accurate average for the cost of new build housing in Rackheath. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

- C.8 Therefore an estimate has been calculated by determining the uplift between all house prices in 2023 across Broadland and new build house prices in 2023 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2023 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £286,737 and purchase threshold of £73,732.
- C.9 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Broadland in 2023. The median cost of new build dwellings in Broadland was £335,000, with a purchase threshold of £86,143.

## **i) Private Rented Sector (PRS)**

- C.10 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
- C.11 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.12 The property website Home.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the NR13 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.
- C.13 According to home.co.uk, there were 26 properties for rent at the time of search in March 2024, with an average monthly rent of £1,387. There were 3

two-bedroom properties listed, with an average price of £913 per calendar month.

C.14 The calculation for the private rent income threshold for entry-level (2-bedroom) dwellings is as follows:

- Annual rent = £913 x 12 = £10,956;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £36,520.

C.15 The calculation is repeated for the overall average to give an income threshold of £55,480.

## Affordable Housing

C.16 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2023: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The new First Homes was introduced in 2021 but is not yet included in the NPPF. Each of the affordable housing tenures are considered below.

### i) Social rent

C.17 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

C.18 To determine social rent levels, data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Rackheath. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Broadland in Table C-1.

C.19 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

**Table C-1: Social rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£78.88	£91.48	£100.06	£114.38	£92.98
Annual average	<b>£4,102</b>	<b>£4,757</b>	<b>£5,203</b>	<b>£5,948</b>	<b>£4,835</b>
Income needed	<b>£13,659</b>	<b>£15,841</b>	<b>£17,326</b>	<b>£19,806</b>	<b>£16,100</b>

Source: Homes England, AECOM Calculations

## i) Affordable rent

- C.20 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
- C.21 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 34% of average market rents rather than 80%.
- C.22 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Broadland. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.23 Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 40% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

**Table C-2: Affordable rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£91.72	£107.68	£124.99	£147.48	£108.87
Annual average	<b>£4,769</b>	<b>£5,599</b>	<b>£6,499</b>	<b>£7,669</b>	<b>£5,661</b>
Income needed	<b>£15,882</b>	<b>£18,646</b>	<b>£21,643</b>	<b>£25,538</b>	<b>£18,852</b>

Source: Homes England, AECOM Calculations

## i) Affordable home ownership

- C.24 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.
- C.25 In paragraph 66 of the NPPF 2023, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.” There are exemptions to this requirement, including where:
- The provision would exceed the level of affordable housing required in an area;

- The provision would significantly prejudice the ability to meet the identified affordable housing needs of specific groups;
- A proposed development provides solely Build to Rent homes;
- A proposed development provides specialist accommodation for a group of people with specific needs (such as purpose built accommodation for students or the elderly);
- The development is proposed to be developed by people who wish to build or commission their own homes; or
- The proposed development is exclusively for affordable housing, a community-led development exception site, or a rural exception site.

### **First Homes**

C.26 Because First Homes are a new tenure product, it is worth explaining some of their key features:

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

C.27 The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £286,737.

C.28 For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (estimated NA new build entry-level) = £286,737;
- Discounted by 30% = £200,716;
- Purchase deposit at 10% of value = £20,072;
- Value of dwelling for mortgage purposes = £180,644;
- Divided by loan to income ratio of 3.5 = purchase threshold of £51,613.

C.29 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £44,239 and £36,866 respectively.

C.30 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

C.31 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m<sup>19</sup>) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Rackheath.

C.32 Table C-3 shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

**Table C-3: Discount on sale price required for households to afford First Homes**

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	39%	76%	51%
NA estimated new build entry-level house price	33%	73%	46%
NA entry-level house price	24%	69%	39%
LA median new build house price	42%	77%	54%

Source: Land Registry PPD; ONS MSOA total household income

<sup>19</sup> It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

## Shared ownership

- C.33 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
- C.34 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.
- C.35 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
- C.36 The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £286,737 is £71,684;
  - A 10% deposit of £7,168 is deducted, leaving a mortgage value of £64,516;
  - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £18,433;
  - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £215,053;
  - The estimated annual rent at 2.5% of the unsold value is £5,376;
  - This requires an income of £17,921 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
  - The total income required is £36,354 (£18,433 plus £17,921).
- C.37 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £28,879 and £48,814 respectively, all of which lie below the £80,000 cap for eligible households.

## Rent to Buy

- C.38 Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended

to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

### **Help to Buy (Equity Loan)**

- C.39 The Help to Buy Equity Loan is not an affordable housing tenure but allows households to afford market housing through a loan provided by the government. With a Help to Buy Equity Loan the government lends up to 20% (40% in London) of the cost of a newly built home. The household must pay a deposit of 5% or more and arrange a mortgage of 25% or more to make up the rest. Buyers are not charged interest on the 20% loan for the first five years of owning the home.
- C.40 It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

# Appendix D : Affordable Housing need and policy

## Affordable Housing estimates

- D.1 In Table D-1 AECOM has calculated, using PPG as a starting point,<sup>20</sup> an estimate of the total need for affordable rented housing in Rackheath over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence available. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
- D.2 It should also be noted that figures in Table D-1 are largely dependent on information provided by Broadland in its capacity as manager of the local housing waiting list.

**Table D-1: Estimate of need for Affordable Housing for rent in Rackheath**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current households in need	9	Neighbourhood level Housing Waiting List data if provided by BDC.
1.2 Per annum	<b>0.4</b>	Step 1.1 divided by the plan period to produce an annualised figure.
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	133.0	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	16%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA.
2.2.1 Current number of social renters in NA	103.0	2021 Census social rented occupancy
2.2.2 Number of private renters on housing benefits	22.6	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	21.3	Step 2.1 x Step 2.2.
2.4 Per annum	<b>1.0</b>	Step 2.3 divided by plan period.
<b>STAGE 3: TURNOVER OF AFFORDABLE HOUSING</b>		
3.1 Supply of social/affordable re-lets (including transfers) %	3%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	<b>3.1</b>	Step 3.1 x NA social rented stock (2.2.1).

<sup>20</sup> Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

<b>NET SURPLUS OF RENTED UNITS PER ANNUM</b>		
Overall surplus per annum	<b>-1.6</b>	Step 1.2 + Step 2.4 - Step 3.2

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

- D.3 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Rackheath. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
- D.4 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.<sup>21</sup> No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
- D.5 It is worth noting that, as noted in chapter 4 of our report, the GNLP HNA capped affordable housing need for sale on the basis of effective demand (i.e. households aspiring to home ownership who could actually access affordable home ownership products), which we have not been able to do below.

**Table D-2: Estimate of the potential demand for affordable housing for sale in Rackheath**

<b>Stage and Step in Calculation</b>	<b>Total</b>	<b>Description</b>
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in NA	84.0	2021 Census number of private renters
1.2 Percentage renters on housing benefit in LA	26.9%	% of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in NA	22.6	Step 1.1 * Step 1.2
1.4 Current need (households)	46.1	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	<b>2.2</b>	Step 1.4 divided by plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	133.0	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	7.2%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	9.6	Step 2.1 * Step 2.2
2.4 Total newly arising need per annum	<b>0.7</b>	Step 2.3 divided by plan period

<sup>21</sup> <http://www.ipsos-mori-generations.com/housing.html>

<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	15.0	Number of shared ownership homes in NA (Census 2021)
3.2 Supply - intermediate resales	<b>0.8</b>	Step 3.1 * 5% (assume rate of re-sale)
<b>NET SHORTFALL PER ANNUM</b>		
Overall shortfall (or surplus) per annum	<b>2.2</b>	(Step 1.5 + Step 2.4) - Step 3.2

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

- D.6 There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
- D.7 It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

## Affordable housing policy

- D.8 The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

**Table D-3: Wider considerations in developing Affordable Housing mix policy**

<b>Consideration</b>	<b>Local Evidence</b>
<p><b>A. Evidence of need for Affordable Housing:</b></p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>The above calculations would suggest that the NA requires no additional affordable rented housing and 2.2 units of affordable home ownership homes per annum over the Plan period. However, despite this low estimated need, both forms of Affordable Housing are clearly valuable in meeting the needs of people on various incomes in the parish.</p> <p>Despite the calculation showing no additional need for affordable housing generated by the current Rackheath population, the population of Rackheath is projected to grow very significantly, from 856</p>

	<p>households in 2021 to 5,768 households expected to be present by the end of the plan period.</p> <p>Based on the levels of need identified in the Greater Norwich HNA for the wider area from which Rackheath’s future population will largely hail, 33% of households are likely to need affordable housing.</p> <p>A projected total of 5,768 households is likely to live in the NA by the end of the plan period. This would therefore imply a total need for 1,903 units of affordable housing (33% of 5,768), minus the approximate 292 affordable units of stock currently present, which results in a residual need for 1,611 units, with 1,144 (71%) needed for rent and 467 (29%) for sale.</p> <p>Based on income and house price data on the NA and wider Greater Norwich, contained in this HNA and the Greater Norwich HNA, and the greater urgency of affordable housing need for rent, delivery of affordable rented housing should still be prioritized over affordable home ownership.</p> <p>This is also shown in the Greater Norwich HNA, which estimated effective demand for affordable housing to be split into approximately 71% need for affordable housing for rent and 29% for sale across Broadland - the same split for the whole Greater Norwich area.</p>
<p><b>B. Can Affordable Housing needs be met in full?</b></p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p>	<p>If the Local Plan target of 33% were achieved on every site, assuming the delivery of the NA’s considerable number of housing units permitted and allocated for a total of 4,565 homes overall, up to 1,506 affordable homes might be expected to be delivered in the NA over Plan period.</p> <p>This level of potential affordable housing delivery, would come close to meeting the future need identified (i.e. for 1,611 units). As future need for affordable housing across the wider Greater Norwich areas is likely to drive both the future characteristics of the</p>

	<p>incoming Rackheath population, as well as the proportion of affordable housing needed by this population, we propose that within the overall future affordable housing provision in Rackheath, the mix of affordable housing for rent and for sale should also be guided by the strategic Greater Norwich HNA evidence, which estimated a need for an affordable housing tenure mix of 71% for rent and 29% for sale.</p>
<p><b>C. Government policy (eg NPPF) requirements:</b></p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	<p>For 10% of all housing to be affordable ownership in Rackheath, where 33% of all housing should be affordable, 30% of Affordable Housing should be for affordable ownership. This roughly complies with the guideline tenure split sought in the Greater Norwich HNA (71/29%).</p> <p>Note that the GNLP does not contain a guideline tenure split and states that this should be based on local evidence. As Rackheath need is deemed likely to represent wider Greater Norwich need, a mix of 30% affordable housing for sale and 70% affordable housing for rent seems likely to be appropriate, adjusted by one percent to meet national government policy for affordable home ownership.</p>
<p><b>D. Local Plan policy:</b></p>	<p>The adopted GNLP does not dictate a specific tenure split and leaves this up to appropriate local evidence.</p>
<p><b>E. First Homes policy:</b></p> <p>The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority</p>	<p>The minimum First Homes requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This is not likely to impact in this case, as the GNLP was adopted after the government First Homes policy was introduced and does not seek a affordable housing tenure split of more than 75% renting.</p>

<p>protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering ‘top slicing’ their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p>	
<p><b>F. Viability:</b></p>	<p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the GNLP and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.</p> <p>However, as recent past delivery of affordable housing in the NA has been very positive, at 49% over the past 10 years, including several 100% affordable housing schemes, viability appears to be unlikely to be an issue.</p>
<p><b>G. Funding:</b></p> <p>The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p>	<p>The RPC may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p><b>H. Existing tenure mix in Rackheath:</b></p> <p>The current stock of homes in an area, in terms of balance between ownership, rented</p>	<p>Due to recently high affordable completions, Rackheath is already home to a relatively high number of affordable housing units, considering the current size</p>

<p>and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>of the settlement. This is also borne out in the low numbers of Rackheath parishioners on the local authority’s housing waiting list at present.</p> <p>The District Council estimates the total affordable stock at the time of writing to be approximately 300 dwellings (around 200 recent completions + a previous stock of around 100 units), although this figure does not take into account any properties sold off under Right to Buy since the last stock data check nor any shared ownership homes that have staircased to full ownership. Census 2021 shows 118 households living in affordable units and recent completions data shows a further 58+83+33 units completed since, resulting in a total stock estimate of 292 (close to the local authority’s rough estimate of 300).</p> <p>Unfortunately, the District Council did not confirm the split of recently delivered affordable housing units, but the Census 2021 indicated that the majority of units delivered by the time of the Census were for rent (87% of all affordable housing), with the remaining 13% for sale.</p>
<p><b>I. Views of registered providers:</b></p>	<p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the NA. The funding arrangements available to housing associations will determine rent levels.</p> <p>However, the District Council has informed AECOM that a number of 100% affordable housing schemes being developed by registered providers have either been completed or are under way in the NA, so funding does appear to be available to deliver viable affordable housing in the NA.</p>
<p><b>J. Wider policy objectives:</b></p>	<p>The RPC may wish to take account of broader policy objectives for Rackheath, the</p>

	<p>overall Broadland District, as well as the wider Greater Norwich area. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided, particularly as the NA is part of a significant growth area for the GNLP.</p>
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# Appendix E : Specialist housing for older people

## Background data tables

Table E-1: Tenure and mobility limitations of those aged 65+ in Rackheath, 2011 (65+ is the closest proxy for 75+ in this data)

Tenure	Day to day activities limited a lot		Day to day activities limited a little		Day to day activities not limited	
<b>All categories</b>	<b>64</b>	<b>20.9%</b>	<b>74</b>	<b>24.2%</b>	<b>168</b>	<b>54.9%</b>
<b>Owned Total</b>	<b>55</b>	<b>20.3%</b>	<b>66</b>	<b>24.4%</b>	<b>150</b>	<b>55.4%</b>
Owned outright	47	19.6%	58	24.2%	135	56.3%
Owned (mortgage) or shared ownership	8	25.8%	8	25.8%	15	48.4%
<b>Rented Total</b>	<b>9</b>	<b>25.7%</b>	<b>8</b>	<b>22.9%</b>	<b>18</b>	<b>51.4%</b>
Social rented	4	40.0%	4	40.0%	2	20.0%
Private rented or living rent free	5	20.0%	4	16.0%	16	64.0%

Source: DC3408EW Health status

## HLIN calculations

Table E-2: Recommended provision of specialist housing for older people from the HLIN 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) <sup>36</sup>	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: Housing LIN SHOP Toolkit

E.1 As Table 6-1 in the main report shows, Rackheath is forecast to see an increase of 153 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent =  $60 \times 0.153 = 9$
- Leasehold sheltered housing =  $120 \times 0.153 = 18$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) =  $20 \times 0.153 = 3$
- Extra care housing for rent =  $15 \times 0.153 = 2$
- Extra care housing for sale =  $30 \times 0.153 = 5$
- Housing based provision for dementia =  $6 \times 0.153 = 1$

# Appendix F : Housing Needs Assessment Glossary

## **Adoption**

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

## **Affordability**

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

## **Affordability Ratio**

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

## **Affordable Housing (NPPF Definition)**

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

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

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

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

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

### **Affordable rented housing**

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods<sup>22</sup>.

### **Age-Restricted General Market Housing**

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

### **Annual Monitoring Report**

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

### **Basic Conditions**

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

### **Backlog need**

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

### **Bedroom Standard<sup>23</sup>**

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

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<sup>22</sup> The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

<sup>23</sup> See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

## Co-living

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

### Community-led developments (NPPF definition)

A development instigated and taken forward by a not-for-profit organisation set up and run primarily for the purpose of meeting the housing needs of its members and the wider local community, rather than being a primarily commercial enterprise. The organisation is created, managed, and democratically controlled by its members. It may take any one of the various legal forms including a community land trust, housing co-operative, and community benefit society. Membership of the organisation is open to all beneficiaries and prospective beneficiaries of that organisation. The organisation should own, manage, or steward the homes in a manner consistent with its purpose, for example through a mutually supported arrangement with a Registered Provider of Social Housing. The benefits of the development to the specified community should be clearly defined and consideration given to how these benefits can be protected over time, including in the event of the organisation being wound up.

### Community Right to Build Order<sup>24</sup>

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

### Concealed Families (Census definition)<sup>25</sup>

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

### Equity Loans/Shared Equity

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

<sup>24</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>25</sup> See [http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776\\_350282.pdf](http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf)

## **Extra Care Housing or Housing-With-Care**

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

## **Fair Share**

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

## **First Homes**

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

## **Habitable Rooms**

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

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

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

## **Housing Market Area**

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

The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning

authorities should work with all the other constituent authorities under the duty to cooperate.

## **Housing Needs**

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

## **Housing Needs Assessment**

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

## **Housing Products**

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

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

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

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

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

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

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

## **Income Threshold**

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

## **Intercensal Period**

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

### **Intermediate Housing**

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

### **Life Stage modelling**

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

### **Life-time Homes**

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

### **Life-time Neighbourhoods**

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

### **Local Development Order**

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

### **Local Enterprise Partnership**

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

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

The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing

strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of this Framework).

### **Local Planning Authority**

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

### **Local Plan**

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

### **Lower Quartile**

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

### **Lower Quartile Affordability Ratio**

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

### **Market Housing**

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

### **Mean (Average)**

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

### **Median**

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

### **Median Affordability Ratio**

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

### **Mortgage Ratio**

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years<sup>26</sup>, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

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

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

### **Neighbourhood plan**

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

### **Older People**

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

### **Output Area/Lower Super Output Area/Middle Super Output Area**

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

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<sup>26</sup> See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

## **Overcrowding**

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

## **Planning Condition**

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

## **Planning Obligation**

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

## **Purchase Threshold**

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

## **Proportionate and Robust Evidence**

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

## **Private Rented**

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

## **Retirement Living or Sheltered Housing**

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

## **Residential Care Homes and Nursing Homes**

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

## **Rightsizing**

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

## **Rural Exception Sites**

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

## **Shared Ownership**

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

## **Sheltered Housing<sup>27</sup>**

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bed roomed. 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

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<sup>27</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

### **Strategic Housing Land Availability Assessment**

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

### **Specialist Housing for Older People**

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

### **Social Rented Housing**

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.<sup>28</sup>

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<sup>28</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

