

# Hingham

Housing Needs Assessment (HNA)

August 2022

## Quality information

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5	08/08/22	Final Report	PS	Peter Stewart	Graduate Town Planner

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

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
GNLP	The Greater Norwich Local Plan
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
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
LTHPD	Long Term Health Problem or Disability
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
SNC	South Norfolk Council
VOA	Valuation Office Agency

# 1. Executive Summary

## RQ 1: Tenure, Affordability and the Need for Affordable Housing

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

Hingham has a high percentage of home ownership at 73.7%, compared to 63.3% in England. Social renting made up 15.4% of the tenure mix within Hingham, compared to 11.3% across South Norfolk. These figures show that Hingham has high rates of ownership but also relatively strong provision of social rented housing.

The median house price in Hingham increased from £174,500 in 2012 to £260,000 in 2021, equating to an increase of 49% over the past decade. This rate of growth is broadly consistent for other averages and the different types of housing.

From AECOM's calculations, the median house price would require an annual income of £66,857. This is 54% higher than the current income average. There is a relatively large group of households in Hingham who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £32,920 per year (at which point entry-level rents become affordable) and £56,539 (at which point entry-level market sale homes become affordable) and might benefit from subsidised routes to ownership such as First Homes and shared ownership.

In relation to the quantity of need for Affordable Housing, the relevant SHMA was published in 2017 for the Central Norfolk Local Authorities (Norwich City, Broadland, Breckland, North Norfolk, South Norfolk, and the Broads Authority Executive Area). This study finds that an average of 830 additional units of Affordable Housing will be needed between 2015 and 2036, per year across Central Norfolk. The SHMA then breaks down the overall Central Norfolk figure into each of the Local Authorities. For South Norfolk this figure has been calculated at 3,195. Hingham makes up 1.9% of the population of the LPA. Accordingly, 1.9% of 3,195 equates to 61 (rounded) houses over the plan period. This works out at approximately 3 (rounded) houses per year within the NA. From AECOM's calculations, this study estimates that Hingham has limited long-term need for affordable rented housing and quite a high potential demand for affordable home ownership. However, it is not recommended to strictly limit the future provision of affordable rented housing for the following reasons: there is currently a backlog of need from 14 households; the wider district continues to have need; and economic circumstances could change or the assumptions for turnover in the stock used here may not be borne out in practice.

Accordingly, the recommended tenure split for Affordable Housing is 50% for ownership and 50% for rent. Within AH for ownership, First Homes represents 25% of the affordable mix. In the interests of diversity and maximizing choice, a further 15% is allocated to shared ownership. Rent to Buy can be seen as the least affordable tenure locally and thus, 10% is given to this mix.

Following our data analysis and tenure split within the chapter, Table 4-8 summarises Hingham'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. Of the 100 houses, 33% and thus 33 need to be for Affordable Housing. Then, broken into 50% for rent and 50% for ownership, AECOM has calculated this at 17 homes for affordable rent and 16 homes for affordable ownership over the plan period. Ultimately, this exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g., if the group plan for more housing (and therefore more affordable housing) than the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.

If the Steering Group considers exceeding the Local Plan policy requirement in the neighbourhood plan, then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could, have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance. The recommendation here to depart from the Local Plan tenure split should also be discussed with the Local Planning Authority if this is something the community wishes to pursue in the Neighbourhood Plan.

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

## RQ 2: Type and Size

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

In 2011 nearly 50% of dwellings within the NA were detached and 35.8% were semi-detached. 32.4% of homes in a slightly wider area in 2021 are bungalows – predominantly detached and semi-detached. The relatively high provision of bungalows may be linked to the high proportion of older people and may continue to represent a strong offering for those concerned about mobility challenged in future.

Hingham has a high percentage of 3-bed dwellings, at 45.1%. The parish has a lower percentage of 4+ bedroom dwellings and a slightly higher proportion of 1-2 bedroom dwellings compared to the South Norfolk. Of the 118 homes built since 2011, limited information is known. However, of the 20 homes for which bedroom data was recorded, the majority had 2 bedrooms.

Hingham has an ageing population with 56% of its population over the age of 45 and 28% over the age of 65. The older age bands have generally increased, and the younger ones remained stable or declined since 2011. Applying district-level population projections suggests that the number households aged 65+ is likely to double by 2042 while all the other age groups expand by more modest rates.

In Hingham 30.8% of households are composed of a single person – a higher rate than South Norfolk that is driven by the large number of older people living alone. Of Hingham's family households, more are aged over 65 than across the district, and fewer of the younger families have children than do not. In Hingham there is a high percentage of elderly people occupying dwellings which are larger than their needs, and thus have extra unoccupied rooms. For instance, for single people aged 65+, 85.8% have a dwelling with at least 1 extra room. Conversely, this figure is only 61.9% for a family under 65 with dependent children.

Based on the analysis of the data summarised here, in particular the expected demographic change and the existing stock of housing, AECOM's model suggests that new housing provision within Hingham should focus on 3-bed dwellings with 48.6% of the suggested balance. Then of similar percentages are 2-bed and 4-bed dwellings. These make up around 20% of the suggested dwelling mix each. Finally, a small allowance for the largest and smallest homes would be appropriate to retain choice but without overly skewing the available mix.

### **RQ 3: Housing for People with Disabilities**

22.7% of the population of Hingham has a long-term health problem or disability (LTHPD). Those whose activities are limited a lot is 9.5% and those whose activities are limited a little is 13.2%. For comparison, the total percentage of those with a LTHPD is higher in Hingham than within South Norfolk and England, with 17.9% and 17.6% respectively. It is clear that there is a high incidence of those living with a LTHPD in Hingham relative to wider averages.

The higher instance of individuals with LTHPD in Hingham may have been one of the factors leading to the decision for the supported living development in the NA. It is however likely that this would also be expected to serve a wider district need, potentially even of the wider county. Discussions with South Norfolk District Council will confirm the geographic need this development is expected to serve.

A likely driver of the higher levels of individuals with LTHPD is the relative age of the parish population, since age is strongly correlated with rates of disability. In Hingham 61% of people with disabilities are aged over 65, compared with 57% in South Norfolk. Since population growth can be expected to be driven by the oldest households in future years, this could translate into a higher proportion of those with disabilities at the end of the plan period.

The data also shows that the majority of those with LTHPD own their dwellings outright (another feature that is strongly correlated with age. Among those with more severe mobility limitations, social renting is more common, suggesting that people with such conditions may need additional financial support.

Within the ward in which Hingham sites, it is estimated that 2.2% of people claim Disability Living Allowance (DLA). It is clear that for those over the age of 70, Hingham has a higher percentage of those on DLA, in comparison to South Norfolk and England. Within Hingham, 43% of DLA claimants were aged 70+, whereas in South Norfolk this figure was 37% and in England this was 35%.



The four most common adaptations required by households containing people with a disability or other physical health-related challenge are a grab hand rail (40%), a bath or shower seat (30%), a specialist toilet seat (25%), and a shower to replace a bath (19%).<sup>1</sup> It is relatively easy for new housing to be suitable to be adapted in these ways at relatively low cost, and this minimum measure of adaptability across new housing in Hingham would be reasonable given the evidence of a growing population of people with disabilities. The latest PPG<sup>2</sup> adopts the following planning approach:

Where an identified need exists, plans are expected to make use of the [optional technical housing standards](#) (footnote 46 of the National Planning Policy Framework) to help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:

M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement)

M4(2) Category 2: Accessible and adaptable dwellings

M4(3) Category 3: Wheelchair user dwellings

Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site specific factors.

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<sup>1</sup> *English Housing Survey 2014-15: Adaptations and Accessibility*

<sup>2</sup> *Housing for Older and disabled people, Guidance June 2019, DLUHC*

## 2. Context

### Local context

1. Hingham is a Neighbourhood Area located in the district of South Norfolk. The Neighbourhood Area (NA) boundary makes up the whole of the parish and was designated by South Norfolk following an application in September 2021.
2. The proposed Neighbourhood Plan period has an assumed start date of 2022 and extends to 2042, therefore comprising a planning period of 20 years. The evidence supplied in this report will look forward to the proposed Plan end date of 2042, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
3. For context, Hingham is 13 miles west from Norwich, Norfolk's county town. Many Hingham residents work in Norwich, commuting by car or bus, as the town is located close to the A11. The town has maintained a range of shops and businesses in its historic streets, notable for Georgian architecture, and an industrial estate on Ironside Way. Despite the influence and attractions of Norwich, an active and independent town life continues to thrive in Hingham. The nearest railway stations are Wymondham and Attleborough, both on the Breckland Line.
4. Data for the NA was captured in the 2011 Census. Up-to-date population estimates can also be obtained for parishes. However, for other datasets including the 2001 Census, the Neighbourhood Area is made up, like the rest of England, of statistical units called Output Areas (OAs). The Plan area equates to the following OAs, which have been used throughout as a statistical proxy for the NA boundary. The NA can be created using one LSOA (Lower Super Output Area) and three OAs (Output Areas):
  - LSOA: E01026909
  - OA: 33UHHP0005
  - OA: 33UHHP0006
  - OA: 33UHHP0007
5. The statistics show that in the 2011 Census the NA had a total of 2,367 residents, formed into 1,078 households and occupying 1,123 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Hingham is 2,518 – indicating population growth of around 151 individuals since 2011. It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.
6. The LPA has provided completions data since April 2011 to March 2022, which provides an indication of the number of new developments since the last census. Dwelling completions from 2011-2022 were 118, bringing the current total to 1,241. Annual totals and dwelling size details can be seen in Table 2-1. This increase in completions (roughly

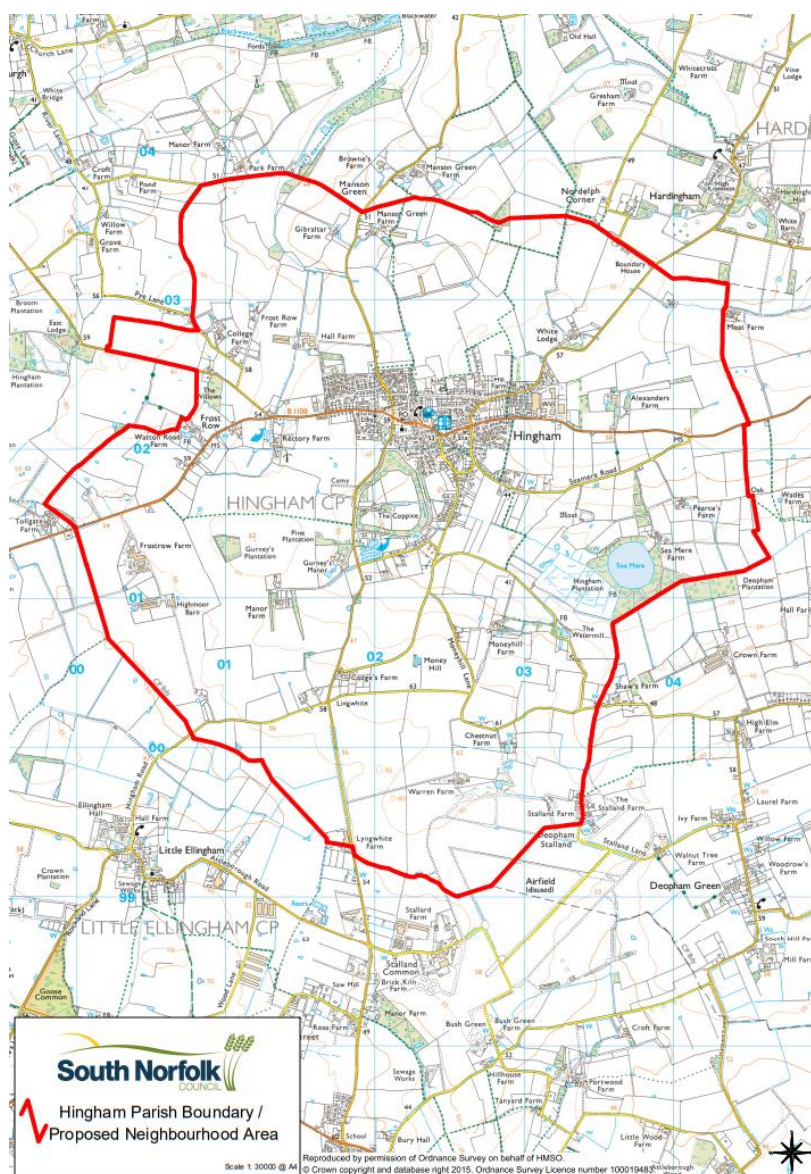
10%) corresponds with the increase in population (roughly 6%) since the 2011 census as aforementioned, noting the generally slower growth in population resulting from ageing (as fewer people occupy the existing dwellings due to mortality and children moving out).

**Table 2-1: Net completions 2011-2022, Hingham**

<b>Date</b>	<b>Completions</b>	<b>1 bed</b>	<b>2 bed</b>	<b>3 bed</b>	<b>4+ bed</b>	<b>Unknown</b>
<b>04/2011 - 03/2012</b>	2	-	-	2	-	-
<b>04/2012 - 03/2013</b>	6	-	-	-	-	6
<b>04/2013 - 03/2014</b>	0	-	-	-	-	-
<b>04/2014 - 03/2015</b>	2	-	1	-	1	-
<b>04/2015 - 03/2016</b>	11	-	4	-	-	7
<b>04/2016 - 03/2017</b>	40	1	-	-	-	39
<b>04/2017 - 03/2018</b>	39	-	-	-	-	39
<b>04/2018 - 03/2019</b>	11	-	5	-	2	4
<b>04/2019 - 03/2020</b>	1	-	-	-	-	1
<b>04/2020 - 03/2021</b>	4	2	-	-	-	2
<b>04/2021 - 03/2022</b>	2	-	1	-	1	-
<b>TOTAL</b>	<b>118</b>	<b>3</b>	<b>11</b>	<b>2</b>	<b>4</b>	<b>98</b>

7. A map of the Plan area appears overleaf in Figure 2-1.

**Figure 2-1: Map of the Hingham Neighbourhood Area<sup>3</sup>**



Source: South Norfolk Council

## The Housing Market Area Context

8. Whilst this HNA focuses on Hingham neighbourhood area it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas. In the case of Hingham, the neighbourhood area sits within the Central Norfolk Housing Market Area which covers South Norfolk Council, North Norfolk District Council, Breckland District Council, Broadland District Council and Norwich City Council. This means that when households who live in these authorities move home, the vast majority move within this geography.

<sup>3</sup> Available at <https://www.southnorfolkanorbroadland.gov.uk/downloads/file/3763/hingham-neighbourhood-area-application>

9. A Strategic Housing Market Assessment (SHMA) was undertaken for Central Norfolk in June 2017.
10. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Hingham, are closely linked to other areas. In the case of Hingham, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.
11. In summary, Hingham functions within a wider strategic area. As well as fostering good working relationships with the local planning authority, South Norfolk, it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood play 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

12. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.<sup>4</sup> In the case of Hingham the relevant adopted Local Plan for South Norfolk consists of:
  - **The Joint Core Strategy (JCS)**<sup>5</sup> - adopted March 2011, which sets out an overall strategy for growth for South Norfolk and its neighbouring districts. It was produced by SNC together with Broadland District Council, Norwich City Council and Norfolk County Council under the umbrella of the Greater Norwich Development Partnership. Amendments applying primarily to Broadland District were adopted January 2014;
  - **Site Specific Allocations and Policies Document (SSAPD)**<sup>6</sup> - adopted October 2015, which designates land for housing, employment and other uses;
  - **The Development Management Policies Document (DMPD)**<sup>7</sup> - adopted October 2015, which is used to assess specific development proposals;
  - **Area Action Plans for Wymondham and Long Stratton**<sup>8</sup> - adopted October 2015 and May 2016 respectively; and
  - **Supplementary Planning Documents (SPDs)**<sup>9</sup>, adopted at various times, such as the Place-Making Guide (adopted 2012).
13. The relevant emerging Local Plan for Hingham is the Greater Norwich Local Plan (GNLP), which sets out the strategy for development across South Norfolk, Broadland

<sup>4</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>5</sup> Available at: <https://www.southnorfolkandbroadland.gov.uk/downloads/download/64/joint-core-strategy-dpd>

<sup>6</sup> Available at: <https://www.southnorfolkandbroadland.gov.uk/downloads/download/93/site-specific-allocations-and-policies-document>

<sup>7</sup> Available at: <https://www.southnorfolkandbroadland.gov.uk/downloads/download/100/development-management-policies-document>

<sup>8</sup> Available at: <https://www.southnorfolkandbroadland.gov.uk/downloads/download/101/wymondham-area-action-plan> and <https://www.southnorfolkandbroadland.gov.uk/downloads/download/102/long-stratton-area-action-plan>

<sup>9</sup> Available at: <https://www.southnorfolkandbroadland.gov.uk/supplementary-planning-documents/supplementary-planning-documents-south-norfolk-1>

and Norwich, covering the period 2018-2038. The Regulation 19 Publication Stage for the emerging GNLP took place between 1<sup>st</sup> February 2021 and 15<sup>th</sup> March 2021, with submission to the Secretary of State on 30<sup>th</sup> July 2021<sup>10</sup>. Following the required period of examination, it is expected that the GNLP will be adopted in September 2022.

## Policies in the adopted local plan

14. Table 2-2 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Hingham.

**Table 2-2: Summary of relevant emerging policies in the adopted local plan**

Policy	Provisions
Policy 4: Housing delivery	Allocations will be made to deliver at least 36,820 new homes between 2008 and 2026. The supporting text breaks down this total by district area. For the part of South Norfolk outside of the Norwich Policy Area (where the parish is located), this equates to:
JCS March 2011	<ul style="list-style-type: none"> <li>• 1,328 current commitments (2008).</li> <li>• 1,040-1,580 new allocations (to 2026).</li> <li>• 2,368-2,908 new commitments (to 2026).</li> <li>• A total of 4,736-5,816.</li> </ul>
	Development proposals are required to create balanced communities and meet the needs of the area as set out in the most up to date housing needs evidence.
	A proportion of Affordable Housing and an appropriate tenure mix will be sought on all sites for 5 or more dwellings (or 0.2 ha or larger). The precise proportion sought will be based on the latest housing needs evidence, subject to viability. At JCS adoption, the proportion of new housing required to be affordable was as follows: <ul style="list-style-type: none"> <li>• 20% on sites for 5-9 dwellings (or 0.2-0.4ha).</li> <li>• 30% on sites for 10-15 dwellings (or 0.4-0.6ha).</li> <li>• 33% on sites for 16 or more dwellings (or over 0.6ha), with an approximate target of 85% social rent and 15% intermediate tenures within the affordable mix.</li> </ul>
	In appropriate locations, sites that would otherwise not be released for development may be considered for schemes that meet an identified local need for Affordable Housing in perpetuity.
	The supporting text states that the requirement for Affordable Housing 2008-2026 is estimated to be 11,860 (which equates to around 33% of the overall requirement). It also identifies a long-term tenure mix of around 60% social rent to 40% intermediate tenures within the affordable mix.
	Mixed tenure housing with care will be required in highly accessible locations. Examples include Norwich and the major growth locations. Hingham is not listed.
Policy 14: Key service centres	JCS The supporting text to Policies 9 to 19 outlines the settlement hierarchy for the scale and distribution of growth. In descending order of suitability for development, the hierarchy is as follows:

<sup>10</sup> Available at: <https://www.gnlp.org.uk/evidence-library>



- March 2011
- The Norwich urban area
  - Main towns
  - Key service centres
  - Service villages
  - Other villages

**Hingham** is classified as a key service centre. Allocations for approximately 100 dwellings are made for **Hingham**.

The supporting text states **Hingham** is one of the smaller rural centres with a range of basic shops and services serving everyday needs in an attractive and historic centre located around a large green.

In view of **Hingham's** small size, relatively limited range of local Shops and services, limited bus services and the need to overcome high school capacity constraints (at Attleborough), a growth of approximately 100 dwellings is proposed. This will be supported by the encouragement of additional local jobs including consideration of the need to extend the industrial estate.

---

Policy 17: Smaller rural communities and the countryside  
JCS  
March 2011

In the countryside and villages not identified in the settlement hierarchy, Affordable Housing to meet identified local needs may be permitted in locations adjacent to villages as an exception to general policy. Other development, including the appropriate replacement of existing buildings, will be permitted where it can clearly be demonstrated to further the objectives of the JCS.

---

Policy HIN 1: Land south of Norwich Road  
SSAPD  
October 2015

The site is located to the south of Norwich Road near to the junction with Ringers Lane and Bears Lane. Land amounting to some 3.85 hectares is allocated for housing and associated infrastructure, landscaping and open space. This allocation could accommodate approx. 95 dwellings.

---

Policy DM 1.3: The sustainable location of new development  
DMPD  
October 2015

Requires that all new development be located on allocated sites or within the development boundaries of settlements, and of a scale proportionate to the level of growth planned in that location.

Development in the countryside outside of development boundaries will only be granted if supported in relevant policies or demonstrates overriding economic, social or environmental benefits.

---

Policy DM 2.10: Conversion and re-use of buildings in the countryside for non-agricultural use  
DMPD  
October 2015

The conversion of countryside buildings to residential use will only be supported where this does not result in the loss of a farm building suitable for continued use or where its loss would result in the construction of a replacement building. Such buildings should have adequate dimensions to accommodate residential use without the need for major extensions, additional buildings or significant changes in appearance.

---

Policy DM 3.1: Meeting housing  
Meeting housing

All housing proposals are expected to contribute to a range of dwellings types and sizes to meet the needs of different households identified in the current Strategic Housing Market Assessment.

requirements and  
needs

DMPD

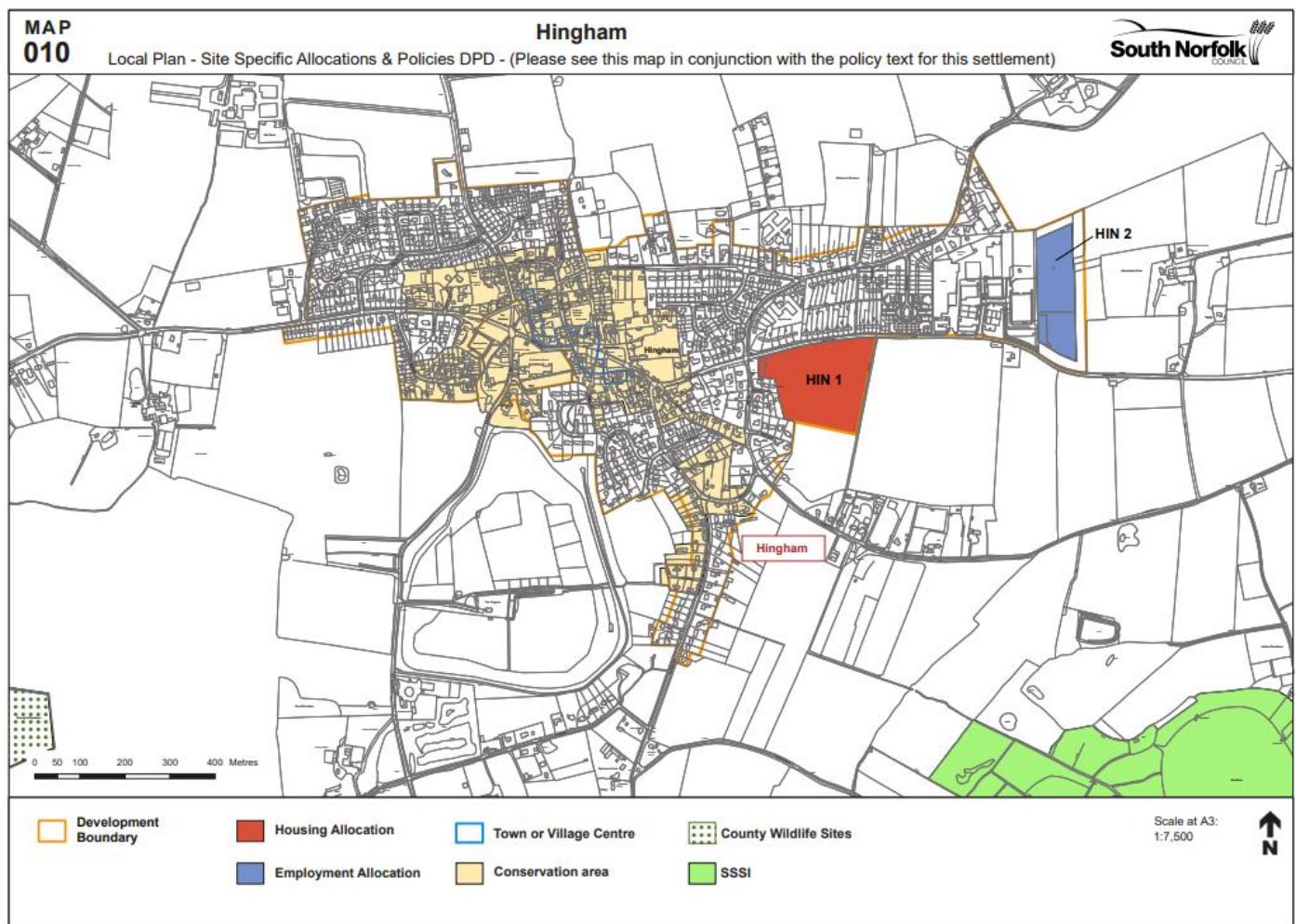
October 2015

Policy DM 3.2: Proposals for affordable housing in the countryside may be supported where they can rural help meet proven local needs, are well-related to existing development, and remain housing needs affordable in perpetuity.

DMPD

October 2015

**Figure 2-2: Local Plan - Site Specific Allocations & Policies DPD (HIN 1)**



Source: <https://www.southnorfolkandbroadland.gov.uk/downloads/file/222/ssapd-section-4-key-service-centres>



## Policies in the emerging plan

15. Table 2-3 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Hingham.

**Table 2-3: Emerging Local Plan**

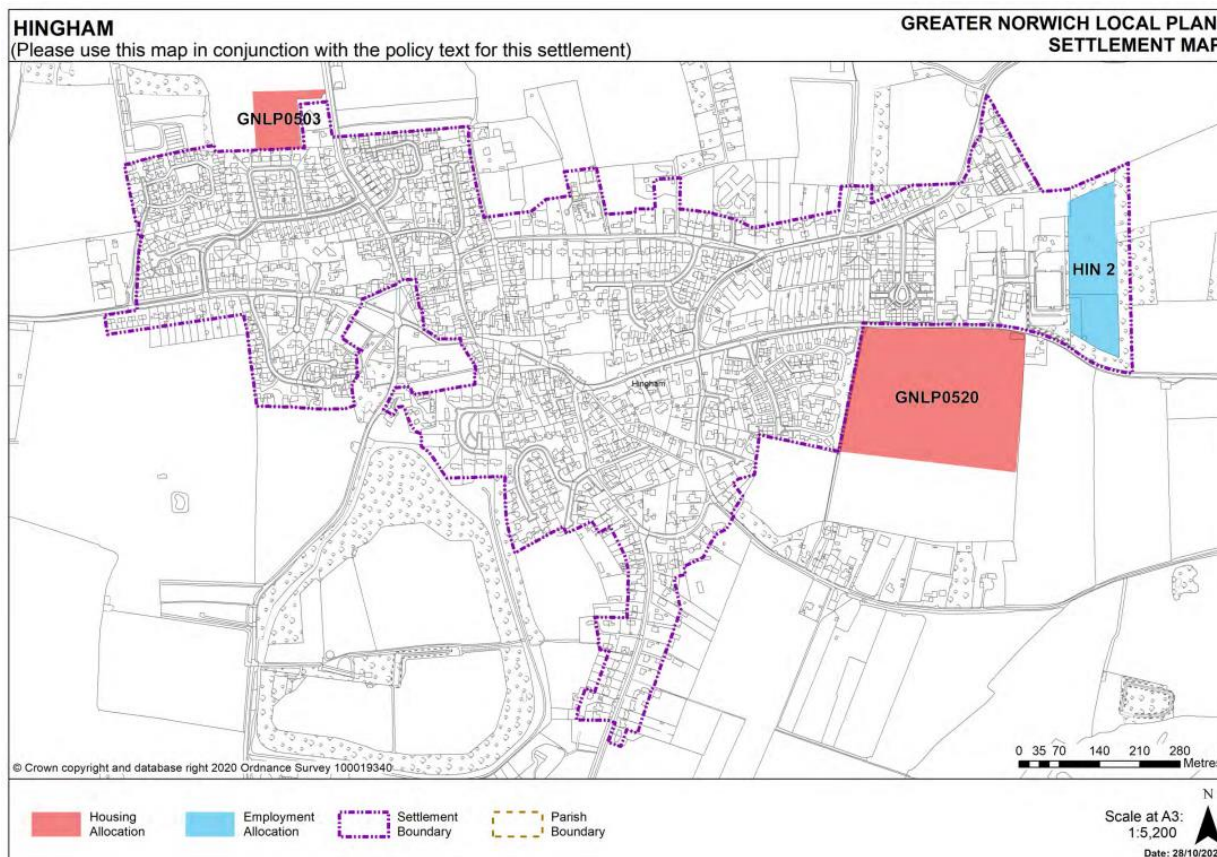
### Policy Provisions

Policy 1 – The Sustainable Growth Strategy	<p>Allocates sites for a minimum of 49,492 new homes to be delivered in Greater Norwich between 2018 and 2038, thereby exceeding the identified need for 40,550 new homes in the same period.</p> <p>The settlement hierarchy presented in the JCS is updated such that the two lowest tiers (service villages and other villages) are grouped together in a new lowest tier:</p> <ol style="list-style-type: none"> <li>1. Norwich urban area;</li> <li>2. Main towns;</li> <li>3. Key service centres (Including Hingham);</li> <li>4. Village clusters.</li> </ol> <p>Most of the housing, employment, and infrastructure growth is focussed in the Strategic Growth Area.</p> <p>Key Service Areas are expected to accommodate housing growth of 3,679 between 2018 and 2038 (comprising an existing deliverable commitment of 2,984 dwellings and 695 new allocations).</p> <p>Proposals for additional windfall housing delivery within settlement boundaries are to be considered acceptable in principle at appropriate scales and locations where they would not have an impact on the existing scale and character of the settlement.</p>
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>Major residential development proposals (of 10 dwellings or more) will provide:</p> <ul style="list-style-type: none"> <li>• At least 33% affordable housing on-site (unless the site is allocated in a Neighbourhood Plan for a different percentage of affordable housing). This may also differ for brownfield sites where the applicant can demonstrate that particular circumstances justify the need for a viability assessment at decision-making stage;</li> <li>• Affordable housing on-site except where exceptional circumstances justify off-site provision;</li> <li>• 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. This will include 10% of the affordable homes being available for affordable home ownership where this meets local needs.</li> </ul> <p>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)[1] standard or any successor. Specialist older people's housing will also be expected to provide 33% affordable housing or 28% in the city centre.</p> <p>At least 5% of plots on residential proposals of 40 dwellings or more (except flats) should provide serviced self/custom-build plots.</p>

## Policy Provisions

Policy 7.3 – Key Service Areas	Key Service Areas are to provide a minimum of 3,679 homes.
	<p><b>Hingham's</b> total deliverable housing commitment 2018-2038 is 120 dwellings. This is comprised of the 100 new allocations (across two sites) and existing deliverable commitments providing for 20 homes.</p> <p>Other residential development is acceptable elsewhere within the settlement boundaries if it is otherwise policy-compliant.</p>
Policy 7.5 – Small Scale Windfall Housing Development	<p>Small scale residential development will be permitted adjacent to a development boundary or on sites within or adjacent to a recognisable group of dwellings where:</p> <ul style="list-style-type: none"> <li>• Cumulative development permitted under this policy will be no more than 5 dwellings in larger parishes during the lifetime of the plan; and</li> <li>• The proposal reflects the form and character of the settlement; and</li> <li>• The proposal would result in no adverse impact on the landscape and natural environment; and</li> <li>• The proposal accords with other relevant Local Plan policies.</li> </ul> <p>Positive consideration will be given to self and custom build.</p>
Sites Plan GNLP0503 (Figure 2-3)	Policy Land north of Springfield Way and west of Dereham Road, <b>Hingham</b> (approx. 0.85 ha) is allocated for residential development. This will accommodate 20 homes.
Sites Plan GNLP0520 (Figure 2-3)	Policy Land south of Norwich Road, <b>Hingham</b> (approx. 6.92 ha) is allocated for residential development. This will accommodate approximately 80 homes.

**Figure 2-3: Housing allocations in Hingham, Emerging Plan**



## Quantity of housing to provide

16. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
17. This requirement has fulfilled in Hingham, with a minimum figure of 100 dwellings to be accommodated through two site allocations by the end of the Plan period.<sup>11</sup>
18. Given that the NPPF requirement has already been fulfilled, the question of how many houses to plan for has been answered. It is therefore outside the scope of this Housing Needs Assessment. The issue of quantity has been excluded from the Research Questions (see Chapter 3).

<sup>11</sup> See Sites Plan Policies GNL0503 and GNL0520 within Greater Norwich Local Plan (GNLP) - Regulation 19 Publication.

## 3. Approach

### Research Questions

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

### Tenure and Affordability

20. The Steering Group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.
21. This evidence will allow Hingham to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.
22. The Steering Group is interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and is therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

***RQ 1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?***

### Type and Size

23. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. This will help shape future development within the NA, so that it better reflects what residents need. It will consider, for example, the need for one and two bed houses for first time buyers, allowing them to get onto the property ladder, as well as issues of affordability.
24. The aim of this research question is to provide the Steering Group with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.
25. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends.
26. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

## **Housing for People with Disabilities**

27. The Steering Group is keen to ensure that there is an adequate supply of suitable dwellings provided to meet the needs of disabled people in the Neighbourhood Area. As such, it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Area retains or provides housing that is suitable for disabled people.

***RQ 3: What provision should be made in terms of housing for disabled people over the Neighbourhood Plan period?***

## **Relevant Data**

28. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from the 2011 Census and a range of other data sources, including:

- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Home.co.uk;
- Local Authority housing waiting list data; and
- The Central Norfolk Strategic Housing Market Assessment (SHMA) 2017.

29. More recent data sources for the population and existing housing stock will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the tenure of dwellings, cannot accurately be brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

## 4. RQ 1: Tenure, Affordability and the Need for Affordable Housing

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

### Introduction

30. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
31. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
32. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently introduced a new product called First Homes.<sup>12</sup>
33. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:
  - 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;

<sup>12</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>.

- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

## Current tenure profile

34. 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.
35. Table 4-1 presents data on tenure in Hingham compared with South Norfolk and England from the 2011 Census, which is the most recent available source of this information.
36. Hingham has a high percentage of home ownership (74%) compared to that of England (64%), but this level is similar to South Norfolk. Social rented housing made up 15.4% of the homes in Hingham, compared to 11.3% across South Norfolk, suggesting a good level of provision – assuming that these homes have not been transferred into the occupier sector through the Right to Buy scheme.
37. Hingham has a correspondingly lower percentage of private rented at 9.1%, compared to the LPA at 11.2%. For context, private rented in England as a whole was considerably higher at 16.8%.
38. As aforementioned, South Norfolk has provided completions data since April 2011 to March 2022, which provides an indication of the number of new developments since the last census. Total completions from 2011-2022 was 120. The South Norfolk data suggests that within this total, 24 units of social rented housing and 4 of affordable home ownership have been delivered (all on one large 88-unit site from 2015-18). It is assumed that the other sites completed in this period were too small to be expected to deliver Affordable Housing. Thus around 23.7% of the homes built since 2011 have been in affordable tenures. This is at the low end of the policy target range of 20-33% affordable in the adopted Local Plan, but it is likely to have raised the overall proportion of Affordable

Housing in Hingham. This again assumes that no affordable homes have been lost through the Right to Buy or for other reasons.

39. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Hingham the private rented sector expanded by 69% in that period, a rate of growth that corresponds to that of the national average and is generally indicative of the rising cost of home ownership.

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

Tenure	Hingham	South Norfolk	England
Owned	73.7%	74.9%	63.3%
Shared ownership	0.6%	1.0%	0.8%
Social rented	15.4%	11.3%	17.7%
Private rented	9.1%	11.2%	16.8%

Sources: Census 2011, AECOM Calculations

## Affordability

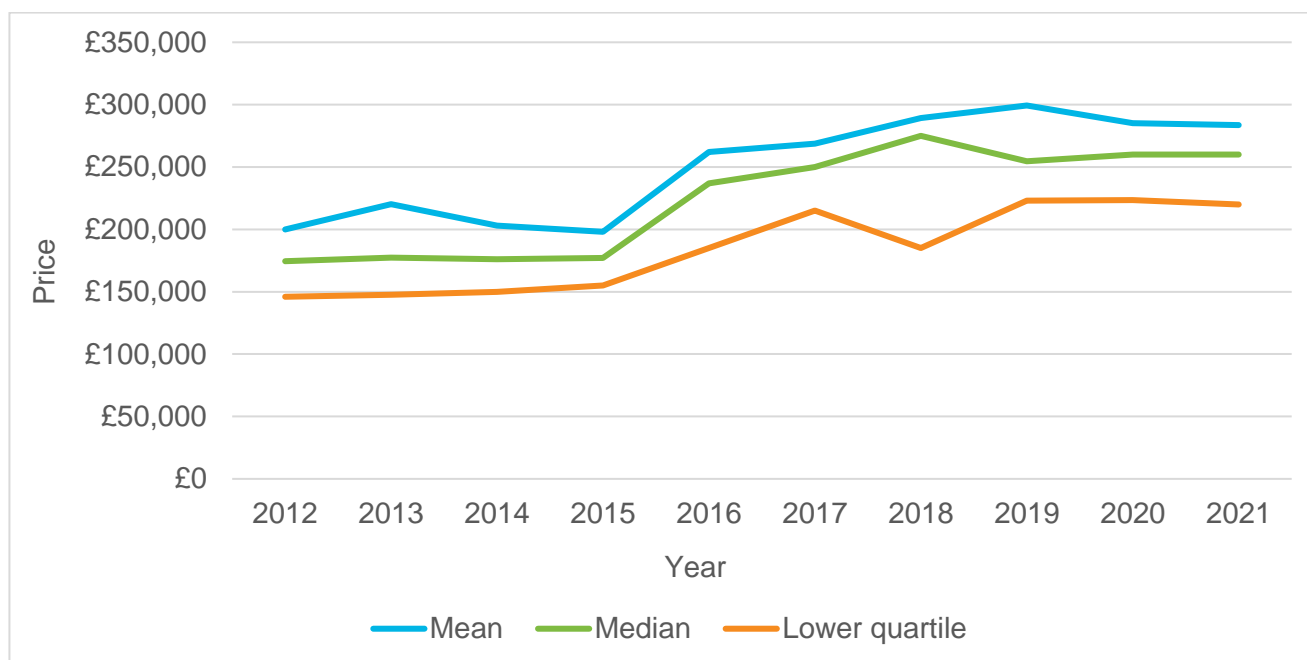
### House prices

40. 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.
41. Figure 2-1 looks at the average and lower quartile house prices in Hingham based on sales price data published by the Land Registry. It shows that the mean house price increased from £199,892 in 2012 to £283,554 in 2021. This equates to average price growth of 41.9% over 10 years. The median house price increased from £174,500 in 2012 to £260,000 in 2021, an increase of 49%. Finally, the lower quartile house price – which is a good representation of entry-level properties – increased from £146,000 in 2012 to £219,875, an increase of 50.6%.
42. These three markers (mean, median and lower quartile) are used to identify the range of house prices across the value spectrum within the NA. Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median, which is the middle number when you sort the data from smallest to largest. Finally, the lower quartile identifies house prices on the lower end of the spectrum. These are usually smaller and more affordable homes.



43. The maximum house price within the NA was £485,000 in 2012. In 2021, this is now £625,000. This has been an increase of 28.9% within this 10-year period.

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



Source: Land Registry PPD

44. Table 4-2 breaks down house prices by type, presenting the median within each type. It shows that semi-detached homes have seen the largest growth in house prices of 61.7% from £142,250 to £230,000. The smallest increase in price has come from flats with 17.5% - although the sample size is much smaller making clear conclusions about pricing trends harder to draw. As aforementioned, the median house price (all types) has increased by 49% from 2012-2021.

**Table 4-2: Median house prices by type in Hingham, 2012-2021**

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£203,500	£242,500	£247,000	£226,000	£271,000	£307,500	£345,000	£290,000	£293,500	£317,500	56.0%
Semi-detached	£142,250	£146,250	£163,750	£169,000	£192,500	£215,000	£218,000	£232,500	£225,000	£230,000	61.7%
Terraced	£140,000	£151,750	£152,500	£160,000	£270,000	£186,500	£167,500	£245,000	£211,250	£192,000	37.1%
Flats	£100,000	-	£97,500	£112,000	£100,000	£117,500	£150,000	£139,750	£115,000	£117,500	17.5%
<b>All Types</b>	£174,500	£177,500	£176,000	£177,000	£237,000	£250,000	£275,000	£254,675	£260,000	£260,000	49.0%

Source: Land Registry PPD

## Income

45. 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.
46. 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 before housing costs locally was £43,400 in 2018. A map of the area to which this data applies is provided in Appendix A.

47. 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. South Norfolk's gross individual lower quartile annual earnings were £15,172 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £30,344.
48. 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**

49. 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.
50. AECOM has determined thresholds for the income required in Hingham to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
51. 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.
52. The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants. The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
53. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter

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

54. Table 4-3 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.

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

**Table 4-3: Affordability thresholds in Hingham (income required, £)**

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £43,400	Affordable on LQ earnings (single earner)? £15,172	Affordable on LQ earnings (2 earners)? £30,344
<b>Market Housing</b>						
Median House Price	£234,000	-	£66,857	No	No	No
LA New Build Median House Price	£284,175	-	£81,193	No	No	No
LQ/Entry-level House Price	£197,888	-	£56,539	No	No	No
Average Market Rent	-	£16,860	£56,200	No	No	No
Entry-level Market Rent	-	£9,876	£32,920	Yes	No	No
<b>Affordable Home Ownership</b>						
First Homes (-30%)	£163,800	-	£46,800	No	No	No
First Homes (-40%)	£140,400	-	£40,114	Yes	No	No
First Homes (-50%)	£117,000	-	£33,429	Yes	No	No
Shared Ownership (50%)	£117,000	£3,250	£44,262	Marginal	No	No
Shared Ownership (25%)	£58,500	£4,875	£32,964	Yes	No	No
Shared Ownership (10%)	£23,400	£5,850	£26,186	Yes	No	Yes
<b>Affordable Rented Housing</b>						
Affordable Rent	-	£5,836	£19,434	Yes	No	Yes
Social Rent	-	£4,651	£15,487	Yes	Marginal	Yes

Source: AECOM Calculations

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

## **Market housing for purchase and rent**

57. 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 or equity from their current home. Market housing, even with the benefit of a higher-than-average income, is likely to remain out of reach to most new buyers. The median house price would require an annual income of £66,857. This is 54% higher than the current average.
58. Private renting is also generally only affordable to higher earners. Households made up of one and two lower quartile earners cannot afford the given rental thresholds. Conversely, it is possible for those on average incomes for afford entry level market rent. 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**

59. There is a relatively large group of households in Hingham who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £32,920 per year (at which point entry-level rents become affordable) and £56,539 (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.
60. 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.
61. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. At a discount level of 30%, it is not possible for lower quartile incomes, or average income earners to afford home ownership. The data shows that only a discount of 40% or more enables those on average incomes to afford home ownership. For those on lower incomes, and even with a 50% discount, home ownership is still out of reach.
62. Table 4-4 shows the discount required for First Homes to be affordable to the three income groups. Because it is not possible to estimate the cost of a typical First Home due to a lack of data on new build entry-level house prices in the NA, it is worth considering the discounts required for some additional price benchmarks. The table above uses median house prices in the NA as the best proxy for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing (which would bring the price closer to the price of median existing homes than existing entry-level homes). However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, and of entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below. Affordability remains a distant prospect for single LQ earners especially, as they would require a 73%

discount to afford a First Home even in the unlikely event that they can be built at prices equivalent to existing entry level homes within the NA.

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

House price benchmark	Mean household income	Single earner	LQ Dual earning household
NA Median house price	35%	77%	55%
LA New build median house price	47%	81%	63%
NA Entry-level house price	23%	73%	46%

Source: Land Registry PPD; ONS MSOA total household income

63. Shared ownership appears to be slightly 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>13</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.
64. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
65. The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are more affordable options.
66. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
  - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
  - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service

<sup>13</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>.

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.

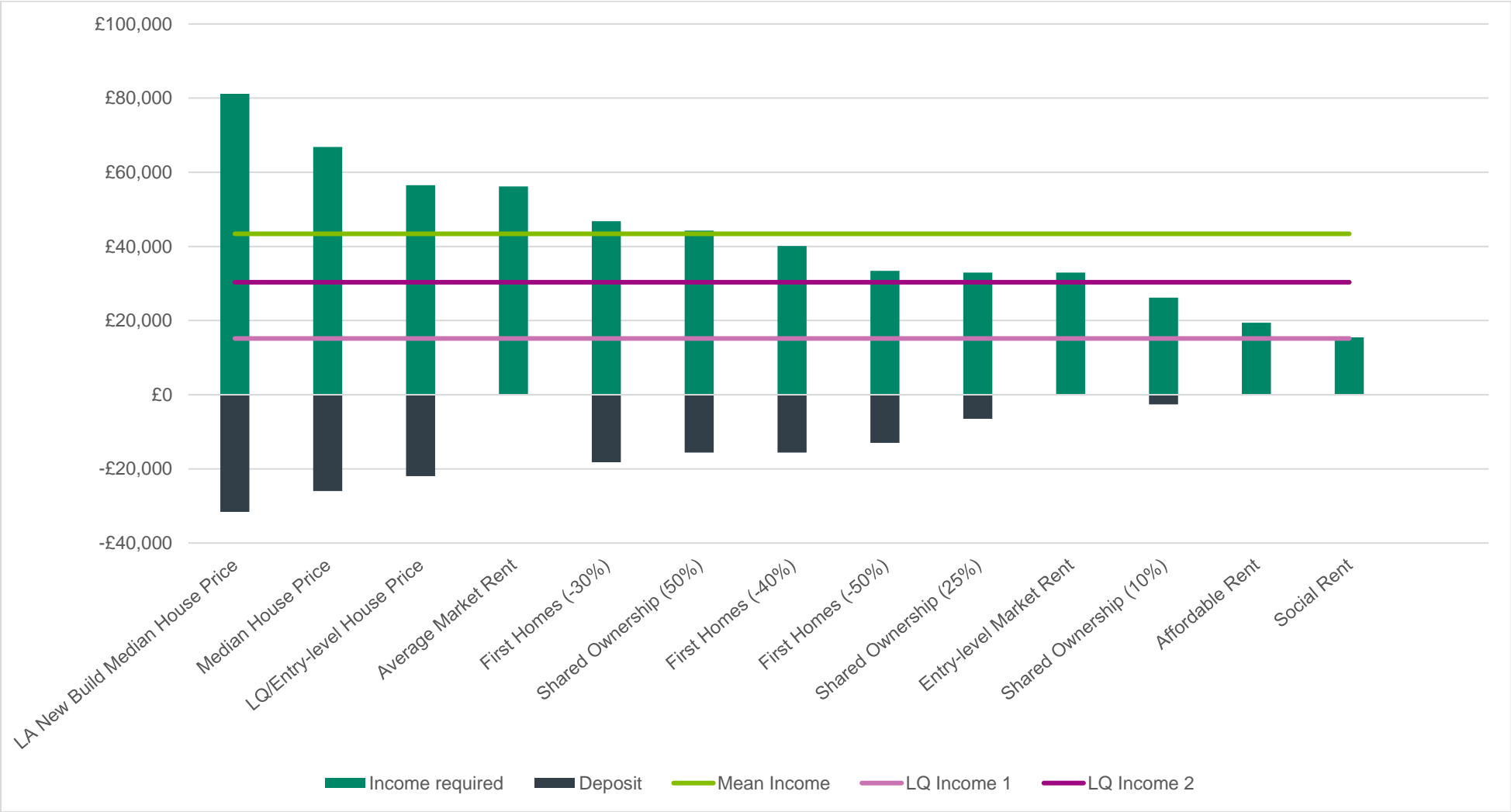
- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

67. In conclusion, all of these products would provide value to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder, while Rent to Buy is helpful to those with little or no savings for a deposit, and First Homes (especially at 40% or 50% discount) may provide a better long-term investment to those who can afford to access it.

### **Affordable rented housing**

68. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.
69. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Hingham 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 mean that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Figure 4-2: Affordability thresholds in Hingham, income required (additional cost of deposit in black)



Source: AECOM Calculations

## Affordable housing- quantity needed

70. The starting point for understanding the need for affordable housing in Hingham should be the relevant Strategic Housing Market Assessment (SHMA).
71. The relevant SHMA was published in 2017 for the Central Norfolk Local Authorities (Norwich City, Broadland, Breckland, North Norfolk, South Norfolk, and the Broads Authority Executive Area). This study finds that an average of 830 additional units of Affordable Housing will be needed between 2015 and 2036, per year across Central Norfolk as a whole. The SHMA then breaks down the overall Central Norfolk figure into each of the Local Authorities. For South Norfolk this figure has been calculated at 3,195. Over the plan period, this equates to 153 (rounded) homes per annum.
72. Using the percentage population of Hingham in relation to the South Norfolk, it is possible to derive the share of this need that may be attributable to Hingham. Hingham makes up 1.9% of the population of South Norfolk. Accordingly, 1.9% of 3,195 is 61 (rounded) affordable homes over the plan period. This works out at approximately 3 (rounded) houses per year within the NA.
73. However, pro-rating District level estimates of affordable housing need to more rural areas presents problems in practice. The District level figures are likely to represent higher needs in its urban areas, and in smaller villages households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing) and for reasons of employment, transportation and and so on.
74. Consequently, in the subsequent sections AECOM has we have calculated, using PPG as a starting point,<sup>14</sup> an estimate of the total need for affordable rented housing and affordable home ownership in Hingham over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us, which includes the Census and the key input provided by South Norfolk in its capacity as manager of the local housing waiting list. South Norfolk indicate a current backlog of 14 households in need in Hingham.
75. Table 4-5 below, looking at the need for affordable rent, shows that there are currently about 14 households in Hingham unable to access affordable rented homes suitable to their needs. The table also suggests that, over the Plan period, 2.9 additional households in the Neighbourhood Area will fall into need. However, up to 5.8 households per year might also be accommodated in existing social rented homes that come vacant (based on the assumption that 3% of the stock will turn over in a given year).
76. This result may initially be surprising because a backlog in the region of 14 households persists. The reason for the affordable rented housing need appearing to be met over the long-term is that the estimated turnover in the

<sup>14</sup> Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>



comparatively large existing stock of affordable rented housing in the NA appears to be sufficient to meet any newly arising need as well as to gradually address the backlog.

77. However, this result requires a number of important caveats. First, there are certainly households currently in need in the NA, and for turnover in the existing stock to gradually accommodate them over the many years of the Plan period implies that some of them can be accommodated in ten years' time once a sufficient surplus has been built up. While theoretically possible, this is not at all favourable to the individuals involved. In practice, it would be better to frontload some affordable rented provision early in the Plan period to meet those needs as soon as possible, leaving newly arising need in future to be met by turnover in the existing stock.
78. Second, it is important to emphasise that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2 bedrooms while the applicant household might require 4 bedrooms, may be located in an inappropriate location, or be otherwise unsuitable. So the mismatch between supply and demand calls for more buffer in the stock.
79. Third, as noted above, the estimates in the SHMA suggest that 3 units of South Norfolk's annual need of 153 is attributable to Hingham, either because of need arising within the parish or because Hingham is expected in some way to contribute to meeting the wider needs of the district. Even if there is a long-term surplus for Hingham households, these wider needs may still need to be met partly within the parish.
80. As such, it is recommended that Hingham considers encouraging the delivery of some affordable rented housing, particularly early in the Plan period, with the understanding that if this results in oversupply in future years, the vacancies created when existing occupants leave their properties may need to satisfy new need from elsewhere in the district.

**Table 4-5: Estimate of need for Affordable Housing for rent in Hingham**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current households in need	14.0	Latest waiting list data available from the local authority. Pro rata for the NA.
1.2 Per annum	<b>0.7</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	325.1	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	17.6%	(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 parish	192.1	2011 Census social rented occupancy + LA % increase.
2.2.2 Number of private renters on housing benefits	21.8	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	57.4	Step 2.1 x Step 2.2.
2.4 Per annum	<b>2.9</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) %	3.0%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	<b>5.8</b>	Step 3.1 x NA social rented stock (2.2.1).
<b>NET SURPLUS OF RENTED UNITS PER ANNUM</b>		
Overall surplus per annum	<b>2.2</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.

81. Turning now to Affordable Housing providing a route to home ownership, Table 4-6 estimates the potential demand in Hingham. This model aims to estimate the number of households might wish to own their own home but cannot afford to – the ‘can rent, can’t buy’ group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
82. 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>15</sup> No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

83. The result of the calculation is 4.8 households per annum who may be interested in affordable home ownership (or 95.4 for the entirety of the Plan period).
84. Again, this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently.
85. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

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<sup>15</sup> <http://www.ipsos-mori-generations.com/housing.html>

**Table 4-6: Estimate of the potential demand for affordable housing for sale in Hingham**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in parish	119.5	Census 2011 number of renters x national % increase to 2018.
1.2 Percentage renters on housing benefit in LA	18.3%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in parish	21.8	Step 1.1 x Step 1.2.
1.4 Current need (households)	73.2	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. <sup>16</sup>
1.5 Per annum	3.7	Step 1.4 divided by plan period.
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	325.1	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	6.4%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	20.9	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	1.6	Step 2.3 divided by plan period.
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	10.0	Number of shared ownership homes in parish (latest figures given by LPA in 2017).
3.2 Supply - intermediate resales	0.5	Step 3.1 x 5% (assumed rate of re-sale).
<b>NET SHORTFALL PER ANNUM</b>		
Overall shortfall per annum	4.8	(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.

86. 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

<sup>16</sup> The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

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

## Affordable Housing policy guidance

88. South Norfolk's adopted policy on this subject Policy 5 requires 33% of all new housing to be affordable on larger sites, with lower targets for smaller sites. Given that Affordable Housing made up just 23.7% of new housing in Hingham from 2012-2022 according to South Norfolk completions figures, it is understood that this target is generally met where sites are large enough to qualify, although because not all do the total delivery is below the overall target.
89. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.
90. 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 detailed within the emerging local plan. The Greater Norwich Local Plan (GNLP) simplifies the overall requirement to 33% on all sites delivering 10 or more dwellings, with no stepped requirement for smaller sites. In line with the NPPF, 10% of all dwellings should be for affordable home ownership, which implies a tenure split of 70% rented and 30% affordable ownership. The HNA can supply more localised evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Hingham specifically.
91. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:

- A. **Evidence of need for Affordable Housing:** This study estimates that Hingham has limited long-term need for affordable rented housing and quite a high potential demand for affordable home ownership.

It is not recommended to strictly limit the future provision of affordable rented housing for the following reasons: there is currently a backlog of need from 14 households; the wider district continues to have need; and economic circumstances could change or the assumptions for turnover in the stock used here may not be borne out in practice.

However, there is justification to seek a higher proportion of affordable home ownership than the minimum 30% sought in the GNLP. Furthermore, a majority of affordable home ownership products have been found to be

helpful in widening housing access to those earning at and below the average locally.

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

If the Local Plan target of 33% were achieved on all of the allocations making up the housing requirement of 100 dwellings, up to around 33 affordable homes might be expected in the NA.

This is not enough to satisfy in full the potential need identified here (though the SHMA figure for affordable rent and AECOM estimates of potential demand for ownership). In this context of limited supply, affordable rented housing should feature in the tenure mix to ensure that the most acute needs are met as a priority.

- C. **Government policy (eg NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in South Norfolk, where 33% of all housing should be affordable, 30% of Affordable Housing should be for affordable ownership. This does comply with the guideline tenure split sought in the Local Plan.

There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA there is no evidence that meeting the 10% threshold in Hingham would prejudice the provision of much needed affordable rented homes.

- D. **Local Plan policy:** As noted above, the emerging Greater Norwich Local Plan (GNLP) simplifies the overall requirement to 33% on all sites delivering 10 or more dwellings, with no stepped requirement for smaller sites. In line with the NPPF, 10% of all dwellings should be for affordable home ownership, which implies a tenure split of 70% rented and 30% affordable ownership.

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

This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. However, this is not the case in the LPA.

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

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

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

- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.
- G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Hingham:** Within Hingham, 73.7% of homes are owned, with 15.4% being for social rent and 9.1% for private rent. Additionally, 0.6% are shared ownership. The provision of affordable rented housing is higher than the local authority average, which is part of the reason for the projection that needs could be met by turnover over the long term.

Nevertheless, the dominance of ownership and lack of private renting as well as other options suggests that some provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.

- I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
- J. **Wider policy objectives:** the neighbourhood planning group may wish to take account of broader policy objectives for Hingham and/or the wider

district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.

92. On the basis of the considerations above, and the current need for Affordable Housing within the NA, Table 4-7 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.
93. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here, but that the longer-term need for rented housing could be satisfied by turnover. In this context, affordable ownership tenures could be prioritised as long as some affordable rented housing can be safeguarded and delivered early in the Plan period. On that basis the Local Plan guideline mix of 70% rented to 30% ownership would appear to over-emphasise affordable rented tenures.
94. Since First Homes appears the most affordable and helpful option locally, assuming it can be offered at the appropriate discount level, national policy that First Homes should represent 25% of the affordable mix is suitable here. In the interests of diversity and maximizing choice, a further 15% is allocated to shared ownership. Rent to Buy can be seen as the least affordable tenure locally and thus, 10% is given to this mix.
95. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
96. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with South Norfolk to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
97. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.



**Table 4-7: 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>50%</b>	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	15%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	10%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
<b>Affordable Housing for rent, of which</b>	<b>50%</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

98. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
99. Hingham has a high percentage of home ownership at 73.7%, compared to 63.3% in England. Social renting made up 15.4% of the tenure mix within Hingham, compared to 11.3% across South Norfolk. These figures show that Hingham has high rates of ownership but also relatively strong provision of social rented housing.

100. The median house price in Hingham increased from £174,500 in 2012 to £260,000 in 2021, equating to an increase of 49% over the past decade. This rate of growth is broadly consistent for other averages and the different types of housing.
101. From AECOM's calculations, the median house price would require an annual income of £66,857. This is 54% higher than the current income average. There is a relatively large group of households in Hingham who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £32,920 per year (at which point entry-level rents become affordable) and £56,539 (at which point entry-level market sale homes become affordable) and might benefit from subsidised routes to ownership such as First Homes and shared ownership.
102. In relation to the quantity of need for Affordable Housing, the relevant SHMA was published in 2017 for the Central Norfolk Local Authorities (Norwich City, Broadland, Breckland, North Norfolk, South Norfolk, and the Broads Authority Executive Area). This study finds that an average of 830 additional units of Affordable Housing will be needed between 2015 and 2036, per year across Central Norfolk. The SHMA then breaks down the overall Central Norfolk figure into each of the Local Authorities. For South Norfolk this figure has been calculated at 3,195. Hingham makes up 1.9% of the population of the LPA. Accordingly, 1.9% of 3,195 equates to 61 (rounded) houses over the plan period. This works out at approximately 3 (rounded) houses per year within the NA.
103. From AECOM's calculations, this study estimates that Hingham has limited long-term need for affordable rented housing and quite a high potential demand for affordable home ownership. However, it is not recommended to strictly limit the future provision of affordable rented housing for the following reasons: there is currently a backlog of need from 14 households; the wider district continues to have need; and economic circumstances could change or the assumptions for turnover in the stock used here may not be borne out in practice.
104. Accordingly, the recommended tenure split for Affordable Housing is 50% for ownership and 50% for rent. Within AH for ownership, First Homes represents 25% of the affordable mix. In the interests of diversity and maximizing choice, a further 15% is allocated to shared ownership. Rent to Buy can be seen as the least affordable tenure locally and thus, 10% is given to this mix.
105. Following our data analysis and tenure split within the chapter, Table 4-8 summarises Hingham'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 housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plan for more housing (and therefore more affordable housing) than

the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.

**Table 4-8: Estimated delivery of Affordable Housing in Hingham**

	Step in Estimation	Expected delivery
A	Provisional capacity figure	100
B	Affordable housing quota (%) in LPA's Local Plan	33%
C	Potential total Affordable Housing in NA (A x B)	33
D	Rented % (e.g. social/ affordable rented)	50%
E	Rented number (C x D)	17
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	50%
G	Affordable home ownership number (C x F)	16

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

106. If the Steering Group considers exceeding the Local Plan policy requirement in the neighbourhood plan, then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could, have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance. The recommendation here to depart from the Local Plan tenure split should also be discussed with the Local Planning Authority if this is something the community wishes to pursue in the Neighbourhood Plan.
107. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

## 5. RQ 2: Type and Size

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

### Introduction

108. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Hingham in terms of type and size, as well as some of the population characteristics that tend to influence housing needs. From this, it is possible to develop an understanding of what sort of housing would be appropriate going forward.
109. It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The recommendations in this chapter, particularly the final suggested size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

### Existing types and sizes

#### Background and definitions

110. Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those having more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.
111. This study is concerned primarily with need rather than demand. Need for homes of different sizes is chiefly determined by the number of people occupying the home. In the strict sense, there is no ‘need’ for dwellings of any particular type, other than the specific needs of those with certain disabilities for level access properties, for example.
112. The best proxy for the number of people in a household is age or ‘life stage’, with younger and then older households tending to have one or two people, and those in between these poles more likely to have larger families including children. Life stage is therefore a main indicator considered here for the size of housing needed. But it is worth pointing out that wealth is also correlated with age, so it is not possible to attain a pure view of what is needed from the secondary data alone.
113. It is also useful to clarify the terminology around dwellings and households. Dwellings are counted in the Census by combining address information with Census returns on whether people’s accommodation is self-contained. As such,

all dwellings are classified as either shared or unshared dwellings. Households are groups of people who live together as a coherent unit (such as a family), and a dwelling is shared where there is more than one household occupying it (e.g. two families or a group of individual students). Hence, there is usually a different number of households and dwellings in any given area. The number of dwellings can also exceed that of households in areas with large numbers of holiday or second homes.

114. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. Adding together Census figures and completions data for the intervening period would be the most accurate option. However, the completions data provided by South Norfolk cannot be broken down to dwelling type, and while it can be broken down for number of bedrooms, only 20 of the 188 new homes have their size recorded, with the other 98 unknown. This source therefore cannot be used for an accurate current snapshot of the dwelling stock.
115. Another alternative is to use data provided by the Valuation Office Agency (VOA). This is updated to 2021 and also reflects any extensions or changes to older homes. However, it is only available at a larger scale than the Census. In this case, the relevant area that contains Hingham also includes around 200 homes from the surrounding area. Around 85% of the homes in this area are in Hingham, so the proportion of homes of different types and sizes should be broadly representative of the parish, but the actual numbers in each category less useful. The approach taken below is to show the Census 2011 mix, adding more recent completions to this where possible, and to also include the proportions from the VOA data. While no source is perfect, in combination they give a relatively good sense of the housing stock and how it has changed in recent years.

## Dwelling type

116. The data below highlights the dwelling types within Hingham. Table 5-1 shows that in 2011, nearly 50% of dwellings within the NA were detached. Moreover, 35.8% were semi-detached. In 2021, the VOA data shows that 27.7% were detached and 23.6% were semi-detached. The apparent decline in those types is due to the inclusion of bungalows as a separate category in the VOA data. 32.4% of homes (which the 2011 Census counted as predominantly detached and semi-detached) are bungalows.

**Table 5-1: Accommodation type, Hingham, 2011 and 2021**

Dwelling type	2011 (Census)	2021 (VOA)
Bungalow	-	32.4%
Flat	5.8%	6.8%
Terrace	7.4%	7.4%
Semi-detached	35.8%	23.6%
Detached	49.9%	27.7%
Unknown/other	-	2.0%

Source: ONS 2011, VOA 2021, AECOM Calculations

117. Table 5-2 below shows the 2021 make-up of dwelling types within the NA, LPA and England for comparison. It is evident from the table that Hingham has a higher percentage of bungalows compared to South Norfolk, with 32.4% compared to 25.4%. The percentage of bungalows is also much higher than England, as only 9.4% of homes in England are bungalows. This presents a potentially compelling opportunity for older people and others with mobility limitations who tend to favour bungalows to live in Hingham.

118. The NA and LPA have significantly lower percentages of flats compared to England, due to their much more rural character. Hingham has a slightly lower percentage of detached dwellings (excluding bungalows), when compared to South Norfolk. In Hingham 27.7% of dwellings are detached and in South Norfolk 30.8% are detached. Overall, the NA and LPA have fairly similar dwelling types.

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

Dwelling type	Hingham	South Norfolk	England
Bungalow	32.4%	25.4%	9.4%
Flat	6.8%	6.6%	23.0%
Terrace	7.4%	14.5%	26.4%
Semi-detached	23.6%	20.4%	23.8%
Detached	27.7%	30.8%	15.9%
Unknown/other	2.0%	2.3%	1.4%

Source: VOA 2021, AECOM Calculations

## Dwelling size

119. Table 5-3 below shows 2011 census data, combined with the 2011-2021 net completions and then VOA data as a comparison. As noted above, the totals from the Census and VOA do not align because the latter relates to a slightly larger area. Nevertheless, the table gives an overview of the current dwelling sizes within the NA. Most had 2-3 bedrooms in 2011 and, although the vast majority of more recent completions have incomplete data, 2 bedroom properties dominate among those with a known number of bedrooms. The VOA data suggests that the bulk of the unknown homes in the completions data have 3 bedrooms, which now clearly dominate the stock.

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

Number of bedrooms	2011 (Census)	Completions 2011-2021 (South Norfolk)	2021 (Census completions)	total + 2021 (VOA)
1	63	3	66	110
2	327	11	338	420
3	431	2	433	650
4+	257	4	261	260
Unknown	-	98	98	0
Total	1,078	118	1,196	1,440

Source: ONS 2011, VOA 2021, AECOM Calculations

120. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. In all three geographies, 3 bedroom homes dominate to a similar degree. Compared to South Norfolk, Hingham has a lower percentage of 4+ bedroom dwellings and slightly more 1 bedroom properties.

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

Number of bedrooms	Hingham	South Norfolk	England
1	7.6%	5.8%	12.3%
2	29.2%	26.2%	28.1%
3	45.1%	44.3%	43.4%
4+	18.09%	23.71%	15.51%

Source: VOA 2021, AECOM Calculations

## Age and household composition

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

### Age structure

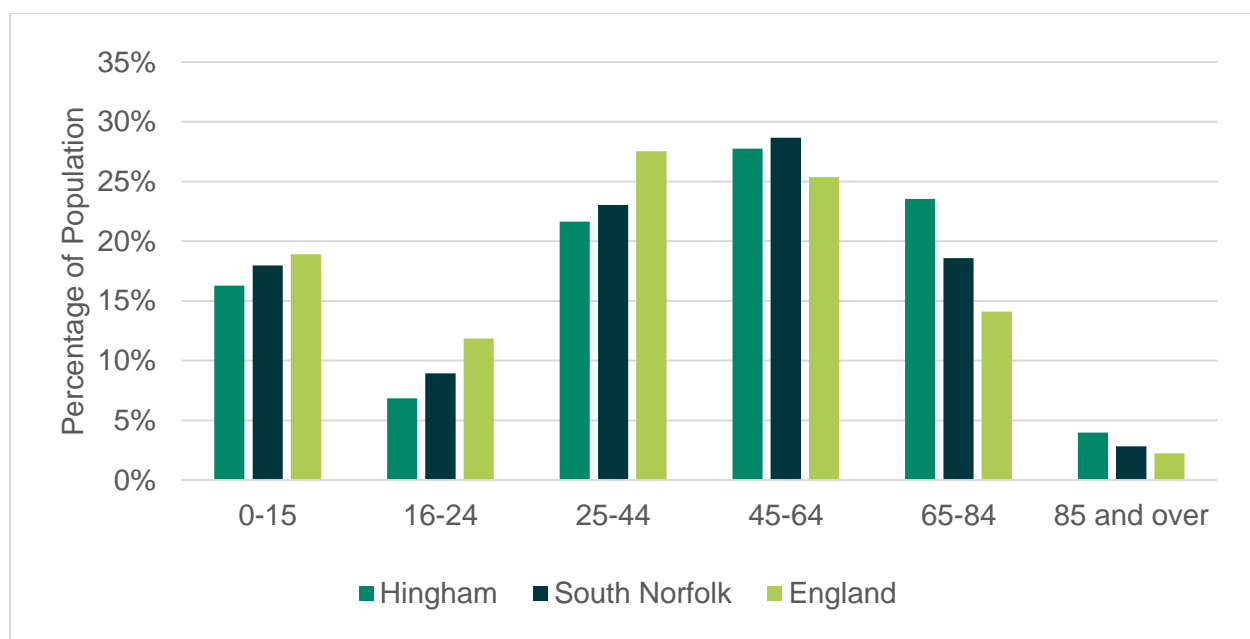
122. Table 5-5 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. Hingham has an ageing population, with 56% of its population over the age of 45. Also, 24% of the population are aged 65-84 and 4% are aged 85+. Since the 2011 census, proportions have grown over time while the number of children is expected to have declined.
123. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.
124. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

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

Age group	2011 (Census)		2020 (ONS, estimated)	
0-15	385	16%	372	15%
16-24	162	7%	162	6%
25-44	512	22%	494	17%
45-64	657	28%	668	27%
65-84	557	24%	693	28%
85 and over	94	4%	129	5%
Total	2367		2518	

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

125. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2011 Census data) shows that Hingham' population is clearly and consistently older than the district and country, with a greater percentage of their population being over 65, compared to South Norfolk and England. Hingham also has a lower percentage of younger people compared to South Norfolk and England. This is illustrated visually in the graph below.

**Figure 5-1: Age structure in Hingham, 2011**

Source: ONS 2011, AECOM Calculations

## Household composition

126. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-6 shows that in Hingham, 30.8% are single person households – notably higher than the wider district and driven by the higher numbers of older people living alone. 65.9% are one family households. Hingham has a higher composition of one family households aged 65 and over at 155%, compared to the national average of 8.1%. Of the family households fewer have children than do not, which is the reverse of the picture across South Norfolk.



127. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. While the data is quite old at this point, it is interesting to observe that this category grew by 10.6% between 2001 and 2011 in the parish, in line with the district average.

**Table 5-6: Household composition, Hingham, 2011**

Household composition		Hingham	South Norfolk	England
<b>One person household</b>	<b>Total</b>	30.8%	26.3%	30.2%
	Aged 65 and over	17.6%	13.5%	12.4%
	Other	13.2%	12.8%	17.9%
<b>One family only</b>	<b>Total</b>	65.9%	69.5%	61.8%
	All aged 65 and over	15.5%	12.5%	8.1%
	With no children	22.2%	22.8%	17.6%
	With dependent children	21.4%	25.4%	26.5%
	With non-dependent children <sup>17</sup>	6.8%	8.8%	9.6%
<b>Other household types</b>	<b>Total</b>	3.3%	4.3%	8.0%

Source: ONS 2011, AECOM Calculations

## Occupancy ratings

128. 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.

129. The data in Table 5-7 below shows that more than 80% of households have more bedrooms than they might strictly be expected to need. There is also a high percentage of older people occupying dwellings which are larger than their needs, and thus have extra unoccupied rooms. For instance, looking at single-person households aged 65+, 85.8% have a dwelling with at least 1 extra room. Conversely, this figure is only 61.9% for younger families with dependent children.

<sup>17</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 Hingham, 2011**

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	65.9%	30.5%	3.6%	0.0%
Single person 65+	47.4%	38.4%	14.2%	0.0%
Family under 65 - no children	67.4%	30.5%	2.1%	0.0%
Family under 65 - dependent children	21.6%	40.3%	35.1%	3.0%
Family under 65 - adult children	27.4%	45.2%	26.0%	1.4%
Single person under 65	41.5%	43.7%	14.8%	0.0%
All households	46%	37%	16%	1%

Source: ONS 2011, AECOM Calculations

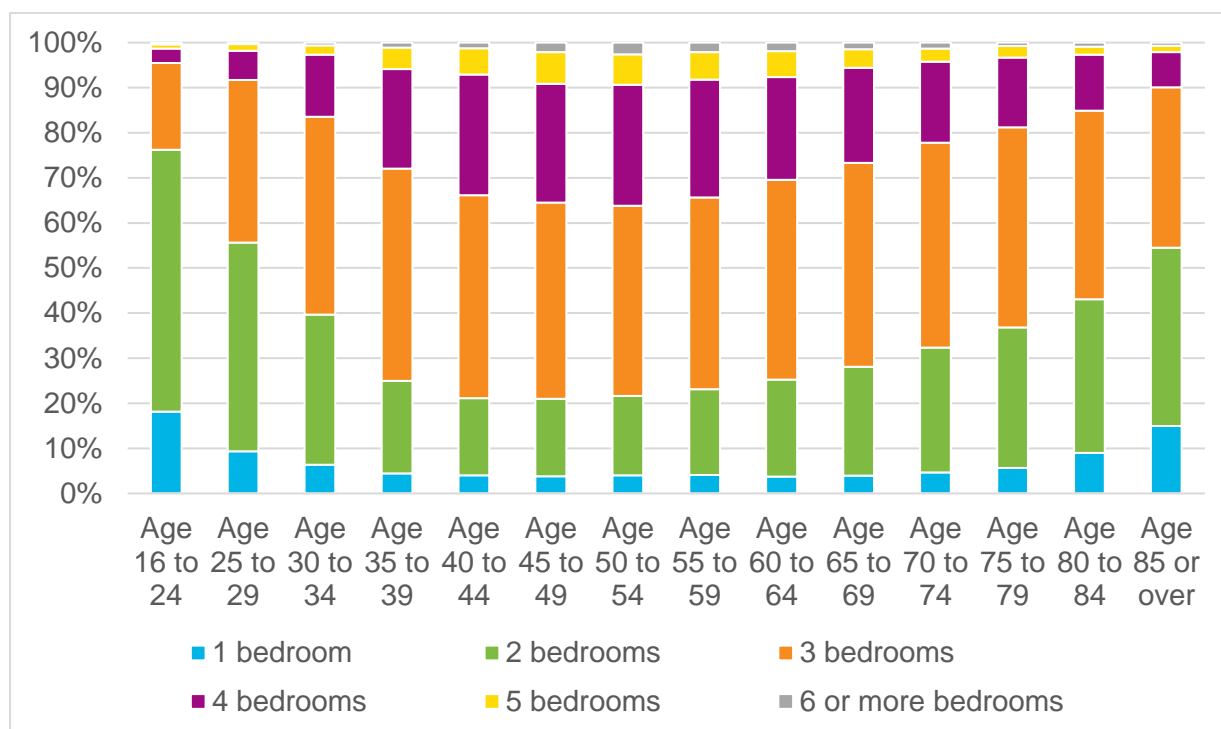
## Dwelling mix determined by life-stage modelling

### Suggested future dwelling size mix

130. As noted above, there is a strong link between the life stage of a household and the size of dwelling that household can be expected to need. The final part of this chapter presents the results of a model that aims to estimate the dwelling size needs of the parish at the end of the Neighbourhood Plan period. The steps involved in this model are not presented in full, but can be summarised – along with the underpinning assumptions and some limitations – as follows:

- The starting point is the age distribution of Hingham households in 2011.
  - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
  - As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
  - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.
- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
  - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.

- The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
  - Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
    - The 2011 dwelling size mix is used for consistency (and due to the lack of fully accurate current data), so any imbalances in new development since then may justify adjustments to the final results.
131. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.
132. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is considered entirely appropriate for the purpose of drafting neighbourhood plan policy.
133. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
134. The first, given as Figure 5-2, sets out the relationship between household life stage and dwelling size for South Norfolk in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

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

Source: ONS 2011, AECOM Calculations

135. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Hingham households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-8 makes clear that population growth can be expected to be driven by the oldest households, with a growth of 92%. There is a projected increase in each category to the end of the plan date, but growth is at a more moderate scale for all but the oldest age bands.

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

Year	Age of HRP and under 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	17	88	346	204	423
2042	20	116	448	262	813
% change 2011-2042	17%	32%	29%	28%	92%

Source: AECOM Calculations

136. The final result of this exercise is presented in Table 5-9. The model suggests that new housing provision within Hingham should focus on 3-bed dwellings with 48.6% of the suggested mix. Then of similar percentages are 2-bed and 4-bed dwellings. These make up around 20% of the dwelling mix. Finally, a small proportion of homes should have 1 and 5+ bedrooms.

**Table 5-9: Suggested dwelling size mix to 2042, Hingham**

<b>Number of bedrooms</b>	<b>Current mix (2011)</b>	<b>Target mix 2042</b>	<b>Balance of new housing to reach target mix</b>
1 bedroom	5.8%	5.9%	6.0%
2 bedrooms	30.3%	26.4%	19.0%
3 bedrooms	40.0%	43.0%	48.6%
4 bedrooms	18.8%	19.3%	20.2%
5 or more bedrooms	5.0%	5.5%	6.3%

Source: AECOM Calculations

137. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.
138. For example, the preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation. If this is a key priority of the community, a greater proportion than the 25% suggested for homes with 1-2 bedrooms here may be sought. Specifically, there may be the need to encourage 1-bedroom dwellings within the NA to promote affordability, as it currently makes up only 6% of the suggested target mix.
139. Furthermore, the young starter families and downsizing older households mentioned above may both need 'mid-sized' homes like the 3 bedroom options recommended strongly here, but are likely to have extremely different requirements and degrees of purchasing power. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing, but additional guidance and prioritisation could be informed by further primary research.
140. To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish.

## Conclusions- Type and Size

141. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
142. In 2011 nearly 50% of dwellings within the NA were detached and 35.8% were semi-detached. 32.4% of homes in a slightly wider area in 2021 are bungalows – predominantly detached and semi-detached. The relatively high provision of bungalows may be linked to the high proportion of older people and may continue to represent a strong offering for those concerned about mobility challenged in future.
143. Hingham has a high percentage of 3-bed dwellings, at 45.1%. The parish has a lower percentage of 4+ bedroom dwellings and a slightly higher proportion of 1-2 bedroom dwellings compared to the South Norfolk. Of the 118 homes built since 2011, limited information is known. However, of the 20 homes for which bedroom data was recorded, the majority had 2 bedrooms.
144. Hingham has an ageing population with 56% of its population over the age of 45 and 28% over the age of 65. The older age bands have generally increased and the younger ones remained stable or declined since 2011. Applying district-level population projections suggests that the number households aged 65+ is likely to double by 2042 while all the other age groups expand by more modest rates.
145. In Hingham 30.8% of households are composed of a single person – a higher rate than South Norfolk that is driven by the large number of older people living alone. Of Hingham's family households, more are aged over 65 than across the district, and fewer of the younger families have children than do not. In Hingham there is a high percentage of elderly people occupying dwellings which are larger than their needs, and thus have extra unoccupied rooms. For instance for single people aged 65+, 85.8% have a dwelling with at least 1 extra room. Conversely, this figure is only 61.9% for a family under 65 with dependent children.
146. Based on the analysis of the data summarised here, in particular the expected demographic change and the existing stock of housing, AECOM's model suggests that new housing provision within Hingham should focus on 3-bed dwellings with 48.6% of the suggested balance. Then of similar percentages are 2-bed and 4-bed dwellings. These make up around 20% of the suggested dwelling mix each. Finally, a small allowance for the largest and smallest homes would be appropriate to retain choice but without overly skewing the available mix.

## 6. RQ 3: Housing for People with Disabilities

***RQ 3: What provision should be made in terms of housing for disabled people over the Neighbourhood Plan period?***

### Introduction

147. The neighbourhood planning group is keen to ensure that there is an adequate supply of suitable dwellings provided to meet the needs of people with disabilities in the Neighbourhood Area. As such, it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Area retains or provides housing that is suitable for disabled people.
148. This is of particular interest to the community in Hingham due to supported living and higher complex care autism accommodation being developed. This consists of 17 supported living apartments (3 for people with physical disabilities and 14 for people with learning difficulties) and 7 bedrooms. The Steering Group hopes that the evidence in this Chapter will help the development to be occupied as it has been vacant since it was completed (c.4 years ago). The community are open to different methods of filling this development, whether this is for the original purpose, for older persons supported living, for young people leaving care, to tackle homelessness, or even in the short-term to aid the housing of refugees from the war in Ukraine. This would require in-depth discussions with South Norfolk District Council because of potential changes of use being required due to planning restrictions.
149. This HNA focuses on the needs of those with physical disabilities because of the data available and the close correlation between physical ability and the type of housing that might be needed. However, there may be a need to provide specialised (supported) housing for other vulnerable households including, for example, those with learning disabilities, mental health needs or young people leaving care. This is harder to assess at small scales, and individual circumstances play a much greater role within the wide range of potential non-physical challenges in what forms of housing might be needed. The forms of care involved are also often more specialised, meaning that the availability of appropriately trained care staff is a further relevant consideration. The requirements of such groups tend to be assessed at the scale of Local Authorities and so it is recommended that conversations with the local authority are a priority.

### Data

150. Using Census data, it is possible to examine the current population with physical disabilities at various geographies and from various perspectives, and to model how that population might change in future. This presents a basis with

which to plan for their specialised housing needs.

151. The Census provides data on people with a long-term health problem or disability (LTHPD), which is defined as a health-problem or disability that limits that person's day-to-day activities and has lasted or is expected to last at least 12 months. The data is broken down by whether the respondent's activities are perceived to be limited 'a lot' or 'a little'. Table 6-1 shows the total number of residents in Hingham reporting an LTHPD, broken down by the degree of activity limitation, and compared with the wider geographies of South Norfolk and England overall.

152. Table 6-1 shows that, in total, 22.7% of the population of Hingham has a LTHPD. Those whose activities are limited a lot is 9.5% and those whose activities are limited a little is 13.2%. From the data, it is clear that the total percentage of those with a LTHPD is higher in Hingham than within South Norfolk and England, with 17.9% and 17.6% respectively. It is clear that there is a high incidence of those living with a LTHPD in Hingham than the LPA and nationally, likely due to the age of the population, as such issues tend to be correlated with age.

**Table 6-1: Current population with LTHPD at various geographies**

	Hingham		South Norfolk		England	
	Total	Percentage	Total	Percentage	Total	Percentage
<b>All usual residents</b>	2367	-	12,4012	-	52,059,931	-
<b>Total with a LTHPD</b>	537	22.7%	22,240	17.9%	9,162,549	17.6%
<b>Day-to-day activities limited a lot</b>	225	9.5%	9238	7.4%	4,320,975	8.3%
<b>Day-to-day activities limited a little</b>	312	13.2%	13002	10.5%	4,841,574	9.3%

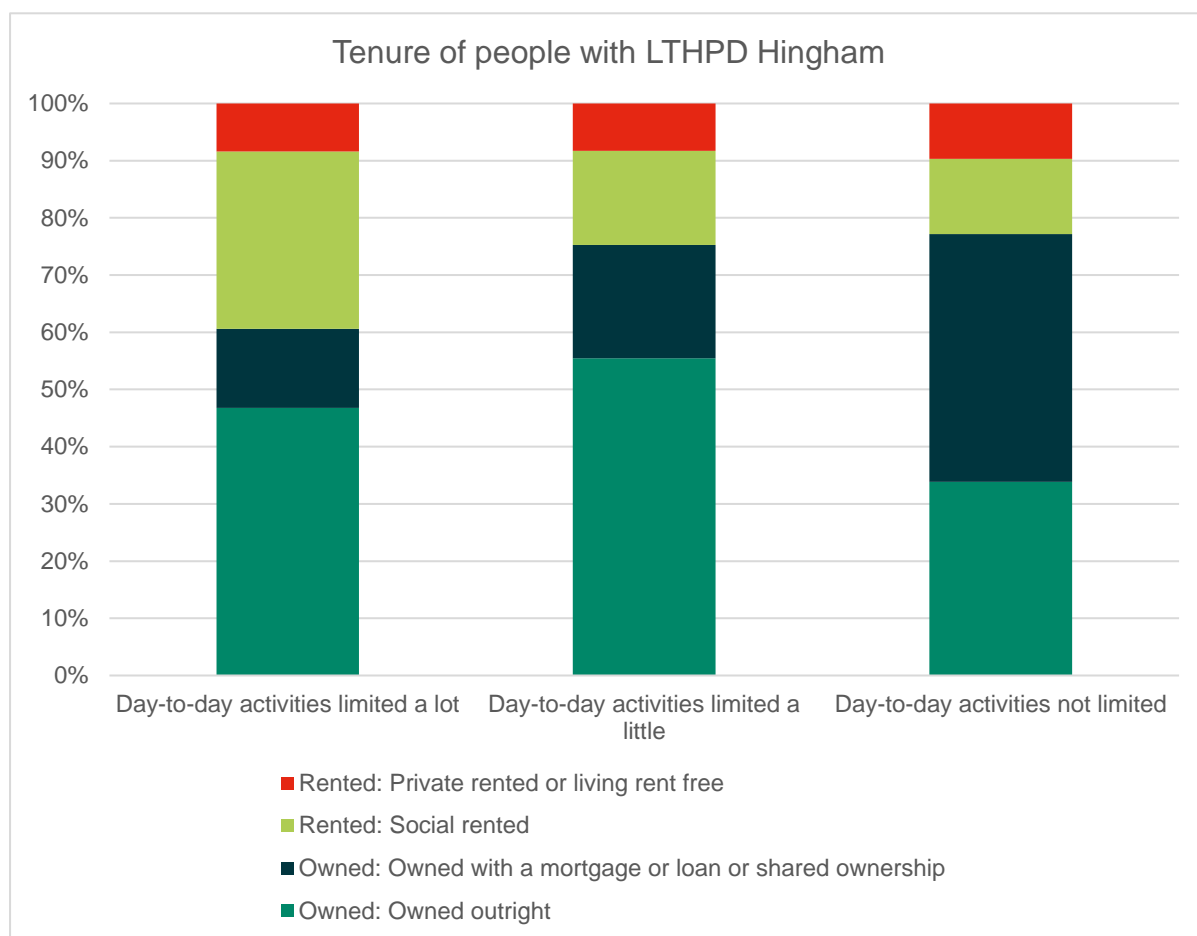
Source: 2011 Census

153. Next, we look at the prevalence of long-term disability among different tenure groupings. Figure 6-1 shows the tenure mix of people with LTHPDs in Hingham, as well as those without an LTHPD ('day-to-day activities not limited'). The data shows that in all categories, the majority of those with LTHPD outright own their dwellings (again a feature associated with older households). It is interesting to note that a higher share of those with severely limiting health conditions tend to



live in social rented accommodation. This may be because those conditions also impact those individuals' ability to work and therefore to afford alternative housing options.

**Figure 6-1: Tenure of people with LTHPD, Hingham**



Source: 2011 Census

**Table 6-2: Tenure data of people with LTHPD, Hingham**

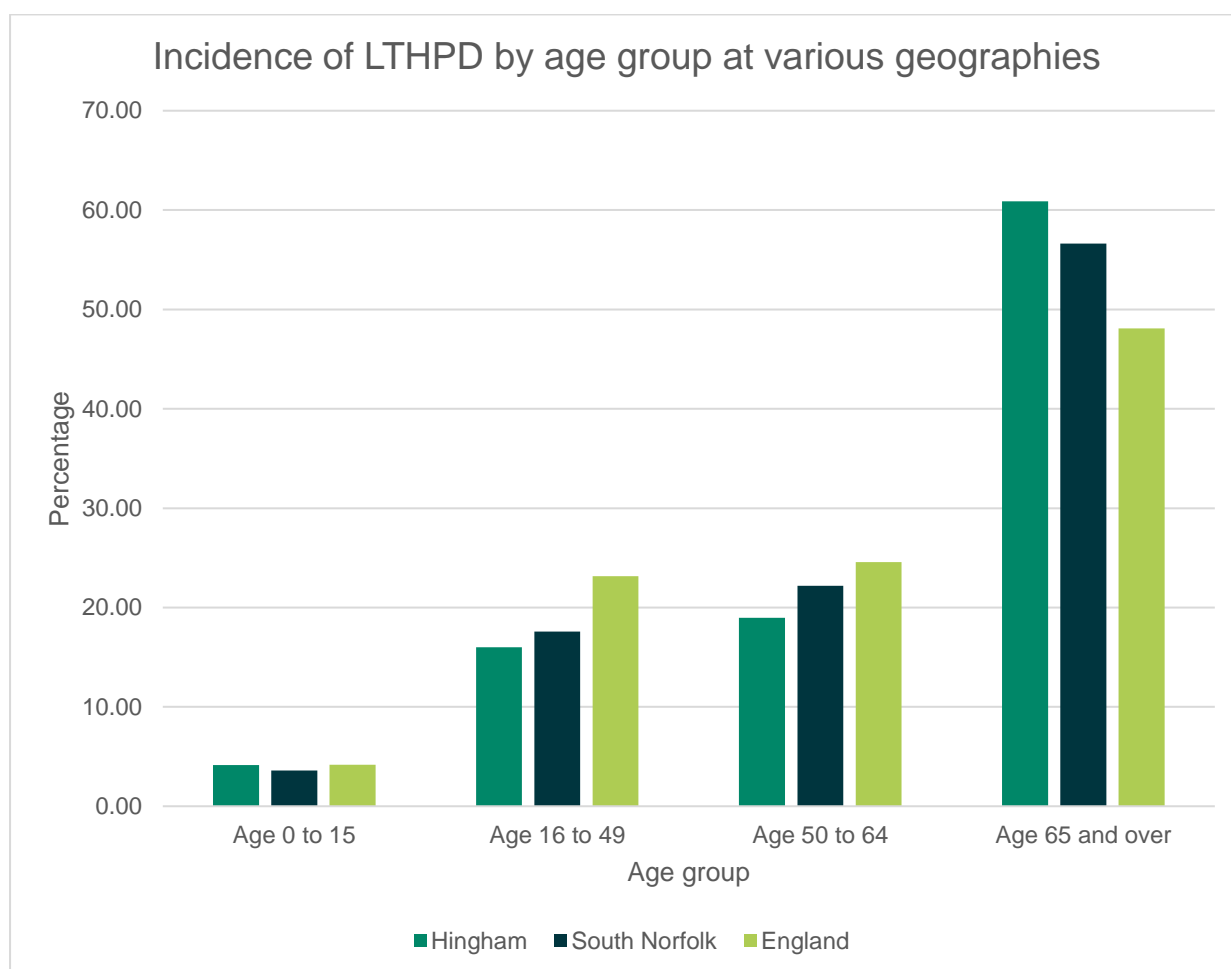
Disability	Owned: Owned outright	Owned: Owned with a mortgage or loan or shared ownership	Rented: Social rented	Rented: Private rented or living rent free
Day-to-day activities limited a lot	95	28	63	17
Day-to-day activities limited a little	168	60	50	25
Day-to-day activities not limited	619	792	240	177

154. We next consider the prevalence of long-term disability and mobility by age group. As suggested above, Figure 6-2 clearly shows that the incidence of long-term disability and age are strongly correlated – and therefore a large proportion of affected households have developed these conditions as they have aged. They may therefore be conditions of a different kind to the lifelong conditions more likely to be experienced by the smaller group of people in the younger age

groups.

155. The Figure below shows that Hingham generally has a lower proportion of those with disabilities below the age of 64 than is the case across the district and country. Conversely, Hingham has a higher rate of those with a LTHPD in the age category 65+. Overall in Hingham, 60.9% of those with a LTHPD are 65+. In South Norfolk this figure was 56.6% and within England this was 48.09%.

**Figure 6-2: Incidence of LTHPD by age group at various geographies**



Source: 2011 Census

156. Given the correlation of age and disability, it is important to highlight the projected distribution of households by the age of the HRP (head of household), to give an insight into the proportion of older people within the NA at the end of the plan period. Table 6-3 makes clear that population growth can be expected to be driven by the oldest households, with a growth of 92%. This growth in the 65+ category could translate into a higher proportion of those with disabilities at the end of the plan period. This dataset of note is the result of applying Local Authority level household projections to the age profile of Hingham households in 2011 and the updated estimates of household numbers described in the Type and Size chapter (RQ 2).

**Table 6-3: Projected distribution of households by age of HRP, Hingham**

Year	Age of HRP and under 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	17	88	346	204	423
2042	20	116	448	262	813
% change 2011-2042	17%	32%	29%	28%	92%

Source: AECOM Calculations

## DLA Claimants

157. Another measure which can be used to indicate the scale of disability within the population is the number and proportion of Disability Living Allowance (DLA) claimants. DLA is a non-contributory, non means-tested and tax-free contribution towards the disability-related extra costs of severely disabled people who claim help with those costs before the age of 65. DLA therefore provides an indication of the number of people in younger, working age groups who are disabled and who have personal care needs, mobility needs or both. They can include people with mental health needs.

158. Recording the proportion of DLA claimants can therefore be helpful in determining the proportion of the disabled population in Hingham relative to the South Norfolk and England proportions. The latest data on DLA claimants is from November 2018 because the system is currently being transitioned to PIP (personal independence payments), for which there is currently no small-scale data. DLA data is also only available by ward, so data from 'Hingham and Deopham', being the ward within which Hingham is located, has been used, and no further geographical breakdown is possible. For reference, at the time of the 2011 Census the parish of Hingham contained 81% of the population of the ward, so the figures below are fairly representative of the parish. The results are presented in Table 6-4.

**Table 6-4: DLA claimants, Hingham, November 2018 (Latest DLA dataset)**

Age	Hingham	Percentage	South Norfolk	Percentage	England	Percentage
Age - under 16	20	29%	710	28%	413,440	29%
Age - 16 to 24	0	0%	70	3%	43,250	3%
Age - 25 to 49	0	0%	300	12%	169,220	12%
Age - 50 to 59	10	14%	250	10%	137,610	10%
Age - 60 to 69	10	14%	290	10%	150,400	11%
Age - 70 and over	30	43%	950	37%	511,390	35%
<b>Total claimants</b>	<b>70</b>		<b>2,570</b>		<b>1,425,310</b>	

159. In the most recent data available November 2018, at the time of writing, the total number of claimants in Hingham and Deopham is 70. The population of this ward is 3,119 in the Mid-2020 population estimates. This is slightly higher

that the NA, as a ward is larger than the area of a parish and thus, contains more people. Nevertheless, within the ward it can be calculated that 2.2% of the ward is claiming DLA. It is clear that for those over the age of 70, Hingham has a higher percentage of those on DLA, in comparison to South Norfolk and England. Within Hingham, 43% of DLA claimants were aged 70+, whereas in South Norfolk this figure was 37% and in England this was 35%.

## Conclusions on Housing for People with Disabilities

160. To conclude, 22.7% of the population of Hingham has a long-term health problem or disability (LTHPD). Those whose activities are limited a lot is 9.5% and those whose activities are limited a little is 13.2%. For comparison, the total percentage of those with a LTHPD is higher in Hingham than within South Norfolk and England, with 17.9% and 17.6% in total respectively. It is clear that there is a high incidence of those living with a LTHPD in Hingham relative to wider averages.
161. The higher instance of individuals with LTHPD in Hingham may have been one of the factors leading to the decision for the supported living development in the NA. It is however likely that this would also be expected to serve a wider district need, potentially even of the wider county. Discussions with South Norfolk District Council will confirm the geographic need this development is expected to serve.
162. A likely driver of the higher levels of individuals with LTHPD is the relative age of the parish population, since age is strongly correlated with rates of disability. In Hingham 61% of people with disabilities are aged over 65, compared with 57% in South Norfolk. Since population growth can be expected to be driven by the oldest households in future years, this could translate into a higher proportion of those with disabilities at the end of the plan period.
163. The data also shows that the majority of those with LTHPD own their dwellings outright (another feature that is strongly correlated with age. Among those with more severe mobility limitations, social renting is more common, suggesting that people with such conditions may need additional financial support.
164. Within the ward in which Hingham sites, it is estimated that 2.2% of people claim Disability Living Allowance (DLA). It is clear that for those over the age of 70, Hingham has a higher percentage of those on DLA, in comparison to South Norfolk and England. Within Hingham, 43% of DLA claimants were aged 70+, whereas in South Norfolk this figure was 37% and in England this was 35%.
165. The four most common adaptations required by households containing people with a disability or other physical health-related challenge are a grab hand rail (40%), a bath or shower seat (30%), a specialist toilet seat (25%), and a shower to replace a bath (19%).<sup>18</sup> It is relatively easy for new housing to be suitable to be adapted in these ways at relatively low cost, and this minimum measure of adaptability across new housing in Hingham would be reasonable given the

<sup>18</sup> English Housing Survey 2014-15: Adaptations and Accessibility

evidence of a growing population of people with disabilities. The latest PPG<sup>19</sup> adopts the following planning approach:

- a. Where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the National Planning Policy Framework) to help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:
  - i. M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement)
  - ii. M4(2) Category 2: Accessible and adaptable dwellings
  - iii. M4(3) Category 3: Wheelchair user dwellings
- b. Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site specific factors.

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<sup>19</sup> Housing for Older and disabled people, Guidance June 2019, DLUHC

## 7. Next Steps

### Recommendations for next steps

166. This Neighbourhood Plan housing needs assessment aims to provide Hingham 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 South Norfolk Council 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 South Norfolk Council;
  - The views of local residents;
  - The views of other relevant local stakeholders, including housing developers and estate agents; and
  - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by South Norfolk Council.
167. 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.
168. Bearing this in mind, it is recommended that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, South Norfolk Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
169. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

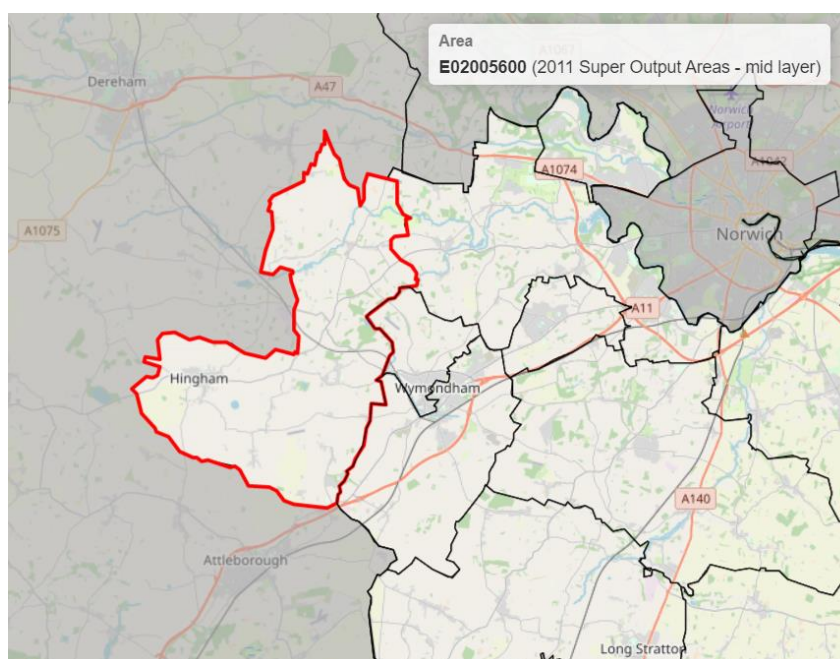
# Appendix A : Calculation of Affordability Thresholds

## A.1 Assessment geography

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

171. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of Hingham, MSOA E02005600 was selected, as it is the MSOA that overlaps to the greatest extent with the Neighbourhood Area. It is important to note that although it is the most relevant MSOA selected, it encompasses an area greater than the NA itself. A map of E02005600 appears in Figure A-1.

**Figure A-1: MSOA E02005600 used as a best-fit geographical proxy for the Neighbourhood Area**



Source: ONS

## A.2 Market housing

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

173. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

## **i) Market sales**

174. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
175. 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 Hingham, 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.
176. The calculation for the purchase threshold for market housing is as follows:
  - Value of a median NA house price (2021) = £260,000;
  - Purchase deposit at 10% of value = £26,000;
  - Value of dwelling for mortgage purposes = £234,000;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £66,857.
177. 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 2020 was £219,875, and the purchase threshold is therefore £56,539.
178. Finally, it is worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 0 sales of new build properties in the NA in 2020. Accordingly, given that the value was 0, it is better to look at the wider district for an indicative figure. The median house price for a new build within South Norfolk was £315,750 in 2021.

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

179. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.
180. 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.

181. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Area. Due to the small sample size, the best available data is derived from properties available for rent within the 'NR9' 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.
182. According to [home.co.uk](https://www.home.co.uk), there were 9 properties for rent at the time of search in May 2022, with an average monthly rent of £1,405. There were 2 two-bed properties listed, with an average price of £823 per calendar month.
183. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
  - Annual rent = £823 x 12 = £9,876;
  - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £32,920.
184. The calculation is repeated for the overall average to give an income threshold of £56,200.

## A.3 Affordable Housing

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

### i) Social rent

186. 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.
187. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Hingham. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for South Norfolk in the Table A-2.
188. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the

eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

**Table A-1: Social rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£77.95	£86.83	£95.87	£111.40	£89.44
Annual average	£4,053	£4,515	£4,985	£5,793	£4,651
Income needed	£13,498	£15,035	£16,601	£19,290	£15,487

Source: Homes England, AECOM Calculations

## ii) Affordable rent

189. 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).
190. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
191. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for South Norfolk. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
192. Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 59% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

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

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£94.84	£111.17	£128.73	£159.18	£112.23
Annual average	£4,932	£5,781	£6,694	£8,277	£5,836
Income needed	£16,422	£19,250	£22,291	£27,564	£19,434

Source: Homes England, AECOM Calculations

## iii) Affordable home ownership

193. 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.

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

### **First Homes**

195. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.
196. The starting point for these calculations is therefore the estimated cost of new build housing in the NA. However, due to 0 houses being built within the NA in 2021. The median was used as a proxy of new build entry-level housing in the NA.
197. For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (NA median) = £260,000;
  - Discounted by 30% = £182,000;
  - Purchase deposit at 10% of value = £18,200;
  - Value of dwelling for mortgage purposes = £163,800;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £46,800.
198. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £40,114 and £33,429 respectively.
199. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
200. 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 £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in Hingham.

## Shared ownership

201. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
202. 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.
203. 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).
204. The affordability threshold for a 25% equity share is calculated as follows:
  - A 25% equity share of £260,000 is £65,000;
  - A 10% deposit of £6,500 is deducted, leaving a mortgage value of £58,500;
  - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £16,714;
  - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £195,000;
  - The estimated annual rent at 2.5% of the unsold value is £4,875;
  - This requires an income of £16,250.00 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
  - The total income required is £32,964 (£16,714 plus £16,250.00).
205. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £26,186 and £44,262 respectively.
206. These income thresholds are below the £80,000 cap for eligible households.

## Rent to Buy

207. 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)**

208. 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.
209. It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

# Appendix B : Housing Needs Assessment Glossary

## **Adoption**

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

## **Affordability**

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

## **Affordability Ratio**

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

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

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

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

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

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

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

### **Affordable rented housing**

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods<sup>20</sup>.

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

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

### **Annual Monitoring Report**

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

### **Basic Conditions**

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

### **Backlog need**

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

### **Bedroom Standard<sup>21</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>20</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>21</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 Housing/Community Land Trusts**

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

## **Community Right to Build Order<sup>22</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>23</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 elderly parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

## **Equity Loans/Shared Equity**

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

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<sup>22</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>23</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**

The Government has recently confirmed the introduction of First Homes as a new form of discounted market housing which will provide a discount of at least 30% on the price of new homes. 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>24</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 the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

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

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

## **Overcrowding**

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

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<sup>24</sup> See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

### **Planning Condition**

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

### **Planning Obligation**

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

### **Purchase Threshold**

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

### **Proportionate and Robust Evidence**

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

### **Private Rented**

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

### **Retirement Living or Sheltered Housing**

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

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

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

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

## **Rightsizing**

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

## **Rural Exception Sites**

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

## **Shared Ownership**

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

## **Sheltered Housing<sup>25</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 bedroomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also

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<sup>25</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

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

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

### **Strategic Housing Market Assessment (NPPF Definition)**

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

### **Specialist Housing for the Elderly**

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

### **Social Rented Housing**

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.<sup>26</sup>

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<sup>26</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>



