

Somersham Neighbourhood Plan

Housing Needs Assessment (HNA)

April 2025

AECOM

Delivering a better world

Quality information

Prepared by

Olivia Carr
Senior Housing
Consultant

Checked by

Kerry Parr
Associate Director

Approved by

Una McGaughrin
Technical Director

Revision History

| Revision | Date | Authorised | Position |
|--------------------|------------|---------------|---|
| 1. First Draft | March 2025 | Olivia Carr | Senior Housing Consultant |
| 2. Internal Review | March 2025 | Kerry Parr | Associate Director |
| 3. Group Review | March 2025 | Irene Healiss | Somersham Parish Council Executive Officer |
| 4. Locality Review | April 2025 | Cathy Varley | Senior Development Officer (North West) |
| 5. Final Report | April 2025 | Olivia Carr | Senior Housing Consultant |

Prepared for: Somersham Neighbourhood Plan Steering Group

Prepared by:

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

© 2025 AECOM Limited. All Rights Reserved.

This document has been prepared by AECOM Limited ("AECOM") for sole use of our client (the "Client") in accordance with generally accepted consultancy principles, the budget for fees and the terms of reference agreed between AECOM and the Client. Any information provided by third parties and referred to herein has not been checked or verified by AECOM, unless otherwise expressly stated in the document. No third party may rely upon this document without the prior and express written agreement of AECOM.

Table of Contents

| | |
|--|----|
| 1. Executive Summary | iv |
| 2. Context..... | 1 |
| 3. Objectives and Approach | 5 |
| 4. Affordability and Affordable Housing | 8 |
| 5. Housing Mix: Type and Size..... | 23 |
| 6. Specialist Housing for Older People..... | 35 |
| 7. Next Steps..... | 44 |
| Appendix A : Assessment geography | 45 |
| Appendix B : Local Plan context..... | 48 |
| Appendix C : Affordability calculations..... | 52 |
| Appendix D : Affordable Housing need and policy..... | 59 |
| Appendix E : Specialist housing for older people | 65 |
| Appendix F : Housing Needs Assessment Glossary | 67 |

List of acronyms used in the text:

| | |
|-------|---|
| HMA | Housing Market Area |
| HNA | Housing Needs Assessment |
| HRF | Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs) |
| HLIN | Housing Learning and Improvement Network |
| HRP | Household Reference Person |
| LA | Local Authority |
| LHN | Local Housing Need |
| LHNA | Local Housing Needs Assessment |
| LPA | Local Planning Authority |
| LSOA | Lower Layer Super Output Area |
| MHCLG | Ministry of Housing, Communities, and Local Government |
| MSOA | Middle Layer Super Output Area |
| NA | Neighbourhood (Plan) Area |
| NP | Neighbourhood Plan |
| NPPF | National Planning Policy Framework |
| OA | Output Area |
| ONS | Office for National Statistics |
| PPG | Planning Practice Guidance |
| PRS | Private Rented Sector |
| RQ | Research Question |
| SHOP | Strategic Housing for Older People |
| SHMA | Strategic Housing Market Assessment |
| VOA | Valuation Office Agency |

1. Executive Summary

- 1.1.1. Somersham is a Neighbourhood Area (NA) located in the district of Huntingdonshire. The NA boundary covers the areas administered by Somersham Parish Council.
- 1.1.2. It should be noted that it is not possible to exactly recreate the NA boundary using Census areas in either 2011 or 2021, as discussed in Appendix A. This means that the Census data throughout the report relates to a slightly different area than the NA (see Figure A-1). Census data in the tables throughout the report is therefore presented as percentages rather than raw figures in the majority of instances. The data is still considered robust and a close reflection of the overall characteristics of the NA.
- 1.1.3. It is important to note that parish level Census data is available for limited datasets in the 2021 Census and aligns with the exact geography of the NA. It is not possible to use this data throughout the report as not all of the required datasets are available, the data is not comparable to 2011, and the available datasets are not all given to a suitable level of detail. A mix of geographies cannot be used through the report. However, headline data for the population and number of households is possible. 2021 Census data for the exact NA shows a population of 3,686 and a total of 1,634 households.
- 1.1.4. Throughout the report, when discussing Census data, Neighbourhood Area (NA) refers to the proxy area shown in Figure A-1 as this data is being used to represent the NA.
- 1.1.5. The 2021 Census recorded 3,672 individuals in the Somersham study area, indicating a decrease of 138 people since the 2011 Census. The population of the study area is 14 individuals smaller than the exact Somersham population, meaning the data in the report is a very close reflection of the NA.
- 1.1.6. There has been development in Somersham in recent years. Huntingdonshire District Council has provided data showing that 63 new dwellings have been built since between 2011/12 and 2023/24. Of these, 20.6% were delivered as Affordable Housing. As of January 2025, outstanding commitments (dwellings on sites with planning permission) total 280 homes.
- 1.1.7. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Steering Group at the outset of the research.
- 1.1.8. Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.

- 1.1.9. This HNA has been undertaken in line with the National Planning Policy Framework (NPPF)¹ and practice guidance².

1.2. Affordability and Affordable Housing

Current tenure profile

- 1.2.1. 2021 Census data shows that 76.7% of households in Somersham owned their own home, compared to 69.0% across the district and 61.3% nationally. The NA had a significantly smaller proportion of households living in Affordable Housing than the comparator geographies, at 8.0% compared to 14.3% across Huntingdonshire and 18.1% nationally. Somersham also had the smallest private rented sector, although this was more in line with the district than other tenures.

Affordability

- 1.2.2. House prices increased in Somersham between 2014 and 2023, with some fluctuation. The median house price increased by 57.7% in this time, peaking in 2022 at £295,000. The 2023 median house price was £280,000. The lower quartile house price increased by 52.5% over the same period, peaking in 2023 at £228,750.
- 1.2.3. Local households on average incomes are unable to access even entry-level homes unless they have the advantage of a large deposit. The median house price would require an annual income approximately 40% higher than the current average. Private renting is generally only affordable to average income households, with households with two lower quartile earners able to afford entry-level rents.
- 1.2.4. Looking at affordable home ownership options, First Homes at a 30% discount would make home ownership marginally affordable to households on mean incomes in Somersham, and increasing the discount to 50% makes it accessible to households with two lower quartile earners. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with shared ownership at 25% and 10% equity accessible to households with two lower quartile earners. Rent to Buy may offer an option to households with little or no savings for a deposit.
- 1.2.5. Affordable rented housing is generally affordable to households with two lower earners. Households with a single lower earner appear only able to afford Social Rented dwellings. Households eligible for Social/Affordable Rented homes but unable to access them will likely require additional subsidy through Housing Benefit/Universal Credit to access housing.

The need for Affordable Housing

- 1.2.6. AECOM estimates the need for 4 Social/Affordable rented homes per annum in Somersham, equating to a total of 42 over the Neighbourhood Plan period.

¹ National Planning Policy Framework published in December 2024

² Housing and economic needs assessment - GOV.UK published in December 2024

- 1.2.7. Huntingdonshire District Council provided Housing Register data showing that as of January 2025, there were 69 households on the waiting list for affordable housing with a local connection to Somersham, with 686 households on the Housing Register with a preference for living in Somersham, regardless of local connection.
- 1.2.8. AECOM estimates the potential demand for 14 affordable home ownership dwellings per annum in Somersham, equating to a total of 155 over the Neighbourhood Plan period.

Affordable Housing policy

- 1.2.9. The tenure mix required in the adopted Local Plan is 70% social/affordable rented and 30% other affordable tenures (e.g. affordable home ownership). The Local Plan guideline mix appears to offer a suitable benchmark because it prioritises the delivery of Social/Affordable Rent whilst also providing scope to deliver affordable home ownership products.
- 1.2.10. AECOM suggest an indicative mix of 10% First Homes and 20% shared ownership when looking at affordable home ownership, with shared ownership the slightly more affordable option. Rent to Buy does not feature in the mix as one of the less affordable options, but it may potentially be a useful option for households with little or no savings for a deposit.
- 1.2.11. The expected level of delivery does meet the quantity of demand identified in estimates for social/affordable rented housing, but not affordable home ownership. It is therefore recommended that the policy requirement is met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored.
- 1.2.12. 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 neighbourhood development orders, identifying exception sites or developing community land trusts.

1.3. Housing Mix: Type and Size

The current housing mix

- 1.3.1. 2021 Census data shows that over 50% of households in Somersham lived in detached dwellings, compared to 39.7% across Huntingdonshire and 22.9% nationally. Due to the high proportion of households living in detached dwellings, the NA had a smaller proportion of households living in all other dwelling types. 13.9% of households in Somersham lived in terraced dwellings, compared to 23.0% nationally, with the NA also having a smaller proportion of households living in flats, with the latter not uncommon in more rural geographies. 2023 VOA data shows that 14.6% of dwellings in the Somersham area were bungalows, compared to 10.0% across Huntingdonshire and 9.1% nationally.

- 1.3.2. Turning to dwelling size, in 2021 the greatest proportion of households in Somersham lived in 3-bedroom dwellings (41.0%), at a slightly higher proportion than the comparator geographies. Somersham and Huntingdonshire had a greater proportion of households living in larger 4+ bedroom dwellings (30-31%) than England (21.1%). The NA had a notably smaller proportion of households living in smaller 1-2 bedroom dwellings (28.6%) than nationally (38.9%). Overall, the dwelling size mix in Somersham is broadly in line with the district, both of which have a skew towards larger dwellings in comparison to the country.

Population characteristics

- 1.3.3. In both 2011 and 2021 the greatest proportion of the population was aged 45-64, at 29.4% in 2021. There was a significant increase in the proportion of the population aged 65-84 over the decade, from 13.4% to 21.4%, with the number of people in this age group increasing by 54.1%, highlighting the aging population in the NA. There was a decrease in the number and proportion of people aged 64 and under over the same period.
- 1.3.4. Looking at household composition, in 2021 Somersham had a greater proportion of both single person and family households aged 66 and over than Huntingdonshire and England, further demonstrating a skew towards an older population. The largest proportion of households in the NA had dependent children, at 22.4%, although this was below district and national levels.
- 1.3.5. Under-occupancy is relatively common in Somersham, with 81.5% of households living in a dwelling with at least one additional bedroom based on their household size. This is most common in family households aged 66 and over and family households aged under 66 with no children, suggesting that the largest dwellings are occupied by households with the most wealth or older households that have been unable to or chosen not to downsize. There is also some overcrowding in Somersham, with 3.6% of families with dependent children and 2.5% of families with adult children living in a dwelling with too few bedrooms based on their household size.

Future population and size needs

- 1.3.6. Population growth can be expected to be driven by the oldest households, with households with a reference person aged 65 and over projected to increase by 74% between 2011 and 2036. There is also projected to be a slight increase in households with a reference person aged 55 to 64 (+11%), and a clear decrease in the youngest households aged 24 and under.
- 1.3.7. AECOM's indicative size mix shows that during the Neighbourhood Plan period, 40-50% of housing should be delivered as mid-sized 3-bedroom dwellings, 30-40% as 2-bedroom dwellings, and 15-25% larger 4+ bedroom dwellings. Although the modelling suggests no further delivery of the smallest dwellings, it is not necessarily appropriate to completely prohibit the delivery of 1-bedroom dwellings, particularly when considering the delivery of social/affordable rented housing, and so 0-10% of the mix as this dwelling size may be appropriate. It may also be appropriate to reduce the

proportion of 4+ bedroom dwellings delivered if smaller dwellings allow for under-occupying older households to downsize, freeing up larger existing stock.

- 1.3.8. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

1.4. Specialist Housing for Older People

- 1.4.1. There are currently 56 units of specialist housing for older people in Somersham, all of which are available for social rent. There is also a care home in the NA, with 14 bedspaces.
- 1.4.2. 2021 Census data shows that at this time there were 370 individuals aged 75 and over in Somersham, accounting for 10.1% of the population. This is projected to increase to 14.6% by 2036, above the district rate of 13.4%.

Specialist housing for older people

- 1.4.3. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 1.4.4. These two methods of estimating the future need in Somersham produce a range of 46 to 61 specialist accommodation units that might be required during the Neighbourhood Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
- 1.4.5. It is helpful to look at the breakdown in tenure and level of care within the need for specialist housing for older people in Somersham. There is a greater need identified for market than affordable provision, with this likely further exacerbated by all of the current provision being available for social rent. The greatest sub-category of need is for sheltered market housing, with some of this need potentially able to be met through at home adaptations or ensuring that new housing that comes forward is accessible and adaptable.
- 1.4.6. It is considered that Somersham is, in broad terms, a suitable location for specialist accommodation on the basis of its place in the settlement hierarchy and the level of amenities available in the NA.

Care homes

- 1.4.7. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on these rates, applied to the projected growth of the older population, it is estimated that in 2036 there would be a

need for 12 residential care beds and 8 nursing care beds in Somersham to meet the needs of this increase in older population.

- 1.4.8. It should be noted that allocation SM2 in the Local Plan allocates development for a care home comprising approximately 60 beds, which would be more than sufficient to meet the localised need to 2036, likely also meeting the needs of surrounding smaller villages.

Accessible and adaptable housing

- 1.4.9. Another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
- 1.4.10. The current adopted Local Plan outlines that all new housing should meet national standards for accessibility and adaptability (Category M4(2)). It also notes that a proportion of new market dwellings on large scale developments should meet standards for wheelchair users (Category M4(3)), with the proportion within Affordable Housing to be decided with the Council.

2. Context

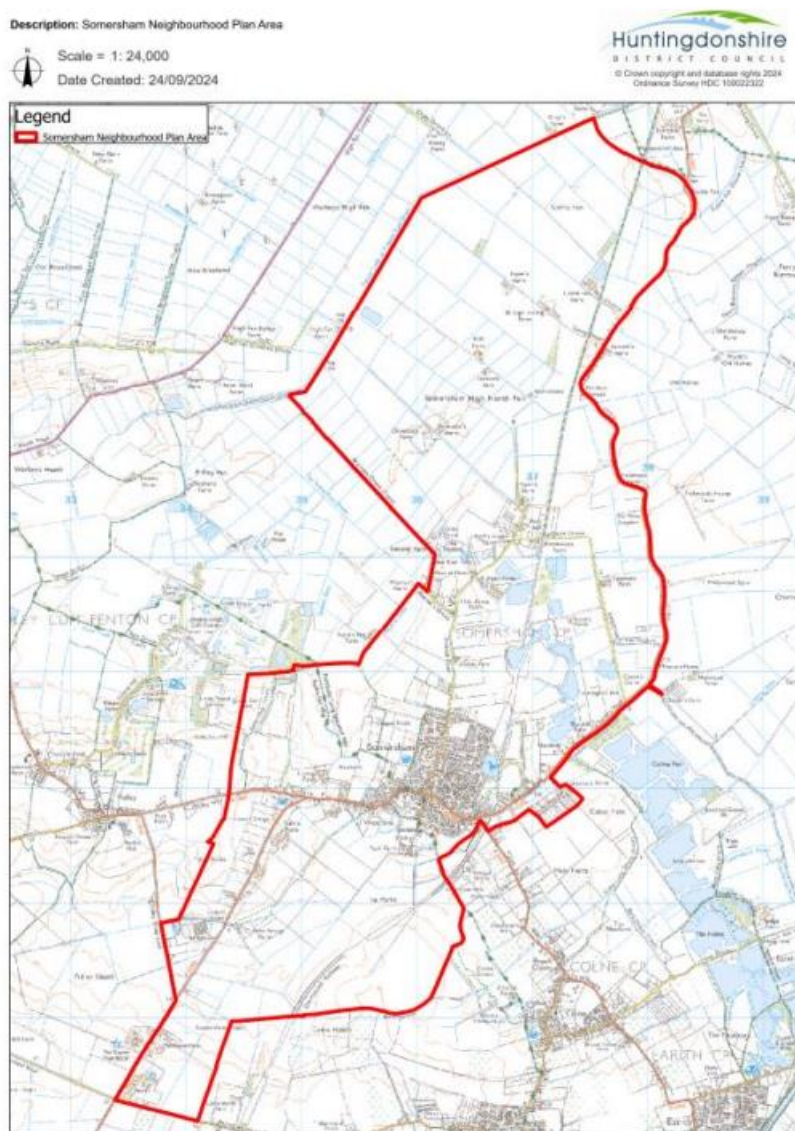
2.1. Local context

- 2.1.1. Somersham is a Neighbourhood Area (NA) located in the district of Huntingdonshire in Cambridgeshire. The NA boundary aligns with the parish boundary and was designated in September 2024.
- 2.1.2. The Neighbourhood Plan is envisaged to start in 2025 and extend to 2036, therefore covering a period of 11 years. The evidence supplied in this report will look forward to the Plan end date of 2036, but where possible will also provide annualised figures which can be extrapolated to a different term if the Neighbourhood Plan period changes.
- 2.1.3. Somersham NA is located in Huntingdonshire, approximately 5 miles north east of St Ives 7 miles south west of Chatteris, and 10 miles north east of Huntingdon. There is a bus service to St Ives and Ramsey, with St Ives providing further bus connections, including to Cambridge. Huntingdon train station provides connection to London and Peterborough. In terms of amenities, Somersham has a primary school, GP surgery, dentist, shop, village hall, café, petrol station, and garden centre.

2.2. The NA boundary and key statistics

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

Figure 2-1: Map of the Somersham Neighbourhood Area



Source: Huntingdonshire District Council³

- 2.2.1. As noted in the Executive Summary and discussed in depth in Appendix A, it is not possible to exactly recreate the NA boundary exactly using the Census areas in either 2011 or 2021. This means that the Census data throughout the report relates to a slightly different area than the NA (see Figure A-1). Census data in the tables throughout the report is therefore presented as percentages rather than raw figures in the majority of instances. This data is still considered robust and a sufficient representation of the overall characteristics of the NA.
- 2.2.2. Throughout the report, when discussing Census data, Neighbourhood Area refers to the proxy area shown in Figure A-1.
- 2.2.3. It is important to note that parish level Census data is available for limited datasets in the 2021 Census and aligns with the exact geography of the NA. It is not possible to use this data throughout the report as not all of the required datasets are available,

³ Available at <https://www.huntingdonshire.gov.uk/media/001ft2mz/somersham-neighbourhood-area-designation.pdf>

the data is not comparable to 2011, and the available datasets are not all given to a suitable level of detail. A mix of geographies cannot be used through the report. However, headline data for the population and number of households is possible. 2021 Census data for the exact NA shows a population of 3,686 and a total of 1,634 households.

- 2.2.4. At the time of the 2021 Census the NA was home to 3,672 residents, formed into 1,637 households and occupying 1,696 dwellings, indicating very little difference between the exact NA and study area. This data indicates population decline of around 138 people (or -3.6%) since 2011, despite an increase of 46 households (+2.9%). In 2011 the Census recorded a total of 3,810 residents and 1,591 households. Comparing Census 2021 dwellings figures with 2011 suggests growth of 57 dwellings over the 10 year period. Huntingdonshire District Council completions data shows that 63 dwellings were delivered in Somersham between 2011/12 and 2023/24.

2.3. The housing market area context

- 2.3.1. Whilst this Housing Needs Assessment (HNA) focuses on Somersham NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas (HMAs) are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
- 2.3.2. In the case of Somersham, the NA sits within the Cambridge Sub-Regional Housing Market Area which covers Cambridge, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire, and West Suffolk. This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including Peterborough and Northamptonshire.
- 2.3.3. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Somersham, are closely linked to other areas. In the case of Somersham, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.
- 2.3.4. In summary, Somersham functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Huntingdonshire District Council), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

2.4. Planning policy context

- 2.4.1. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁴ In the case of Huntingdonshire, the relevant adopted Local Plan consists of the Huntingdonshire Local Plan to 2036, adopted in May 2019⁵. In January 2023 Huntingdonshire District Council's Cabinet agreed to a full update of the Local Plan, which is at the very early stages.
- 2.4.2. A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the adopted Local Plan:
- Adopted Local Plan Policy LP1 identifies an overall housing target of 20,100 homes for the district between 2011 and 2036;
 - In Policy LP2 Somersham is designated as a Key Service Centre, with approximately ¼ of the objectively assessed need for housing to be permitted on sites dispersed across the Key Service Centres and Small Settlements;
 - Policy LP24 states that 40% of all new dwellings are expected to be delivered as Affordable Housing on sites of 11 or more homes. The suggested tenure mix within Affordable Housing is approximately 70% affordable rent to 30% other affordable tenures (affordable home ownership);
 - Policy LP25 sets out an expectation that all new homes will be built to Category M4(2) accessibility standards.

2.5. Quantity of housing to provide

- 2.5.1. The NPPF 2024 (paragraphs 69 and 70) requires LPAs to provide designated neighbourhood areas with a housing requirement which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Where it is not possible for the LPA to provide a requirement figure for a neighbourhood area the NPPF states that the LPA should provide an indicative figure, if requested to do so by the neighbourhood planning body.
- 2.5.2. Huntingdonshire District Council has fulfilled that requirement by providing Somersham with an indicative figure of 280 dwellings to be accommodated within the NA by the end of the Neighbourhood Plan period, which is the sum of housing allocations in the adopted Local Plan (SM1 – SM5).

⁴ 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>

⁵ <https://www.huntingdonshire.gov.uk/media/3872/190516-final-adopted-local-plan-to-2036.pdf>

3. Objectives and Approach

3.1. Objectives

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

Affordability and Affordable Housing

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

Housing Mix: Type and Size

- 3.1.5. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local households need.
- 3.1.6. The focus of this section is to identify relevant trends and potential gaps in the market that can be used to justify planning policies. It has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
 - To describe relevant characteristics of the local **population**; and
 - To look to the **future**, considering how the population is likely to change over time and what mix of homes would be most appropriate to build.

- 3.1.7. In addition to the direction of travel revealed by data, a variety of reasons sit behind the choices that households make that are less easy to predict, including wealth, accessibility requirements and personal preference. The evidence in this section provides a starting point for developing and justifying planning policies but does not provide definitive recommendations as it may be appropriate to take into account other factors and site specific circumstances.

Specialist Housing for Older People

- 3.1.8. It may be appropriate for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older persons.
- 3.1.9. This chapter supplements the demographic evidence in the previous section (Housing Mix: Type and Size), including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:
- To review the **current provision** of specialist housing in the NA;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 3.1.10. This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

3.2. Approach

- 3.2.1. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:
- Office for National Statistics (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 Rightmove.co.uk;
 - Local Authority housing waiting list data; and

- Housing Needs of Specific Groups, Cambridgeshire & West Suffolk, October 2021⁶.

3.2.2. Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including for parishes, and some datasets which compare numerous variables, has not yet been made available. As such, this HNA draws on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections to build up evidence at the neighbourhood level.

⁶ <https://www.huntingdonshire.gov.uk/media/5743/housing-needs-of-specific-groups-oct21.pdf>

4. Affordability and Affordable Housing

4.1. Introduction

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

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

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

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

4.1.4. This HNA has been undertaken in line with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) (published 2024).

4.2. Definitions

4.2.1. This section uses a range of technical terms which are useful to define at the outset:

- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
- **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
- The definition of **Affordable Housing** is set out in the NPPF 2024 (Annex 2) as 'Housing for sale or rent, for those whose needs are not met by the market...' We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
- A range of affordable home ownership products are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. This includes discounted market sales housing and other affordable routes to home ownership (shared ownership, rent to buy etc) which are defined in Annex 2. First Homes are also part of the range of affordable home ownership products,

but the definition of First Homes and policy is covered in a Ministerial Statement (2021) and not defined in Annex 2.⁷

4.3. Current tenure profile

- 4.3.1. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
- 4.3.2. Table 4-1 presents data on tenure in Somersham compared with Huntingdonshire and England from the 2021 Census. It shows that Somersham had a larger proportion of the population that owned their own home (76.7%) than both the district (69.0%) and the country (61.3%). The NA had a significantly smaller proportion of households living in Affordable Housing, at 8.0% of households, compared to 14.3% across Huntingdonshire and 18.1% nationally. Somersham also had the smallest private rented sector, although this was more in line with the district than other tenures, at 15.3% and 16.8% respectively.

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

| Tenure | Somersham | Huntingdonshire | England |
|------------------|-----------|-----------------|---------|
| Owned | 76.7% | 69.0% | 61.3% |
| Shared ownership | 0.1% | 1.4% | 1.0% |
| Social rented | 7.9% | 12.9% | 17.1% |
| Private rented | 15.3% | 16.8% | 20.6% |

Sources: Census 2021, AECOM Calculations

- 4.3.3. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). This shows that between 2011 and 2021 there was a decrease in the number of households living in both social rented and shared ownership dwellings, potentially due to the sale of Affordable Housing stock by housing associations. The number of households private renting increased at a greater rate than ownership (22.0% compared to 1.4%), potentially highlighting affordability challenges in the NA, likely exacerbated by the loss of Affordable Housing.

⁷ 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>.

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

| Tenure | 2011 | 2021 | % Change |
|------------------|-------|-------|----------|
| Owned | 1,239 | 1,256 | +1.4% |
| Shared ownership | 3 | 2 | -33.3% |
| Social rented | 144 | 129 | -10.4% |
| Private rented | 205 | 250 | +22.0% |

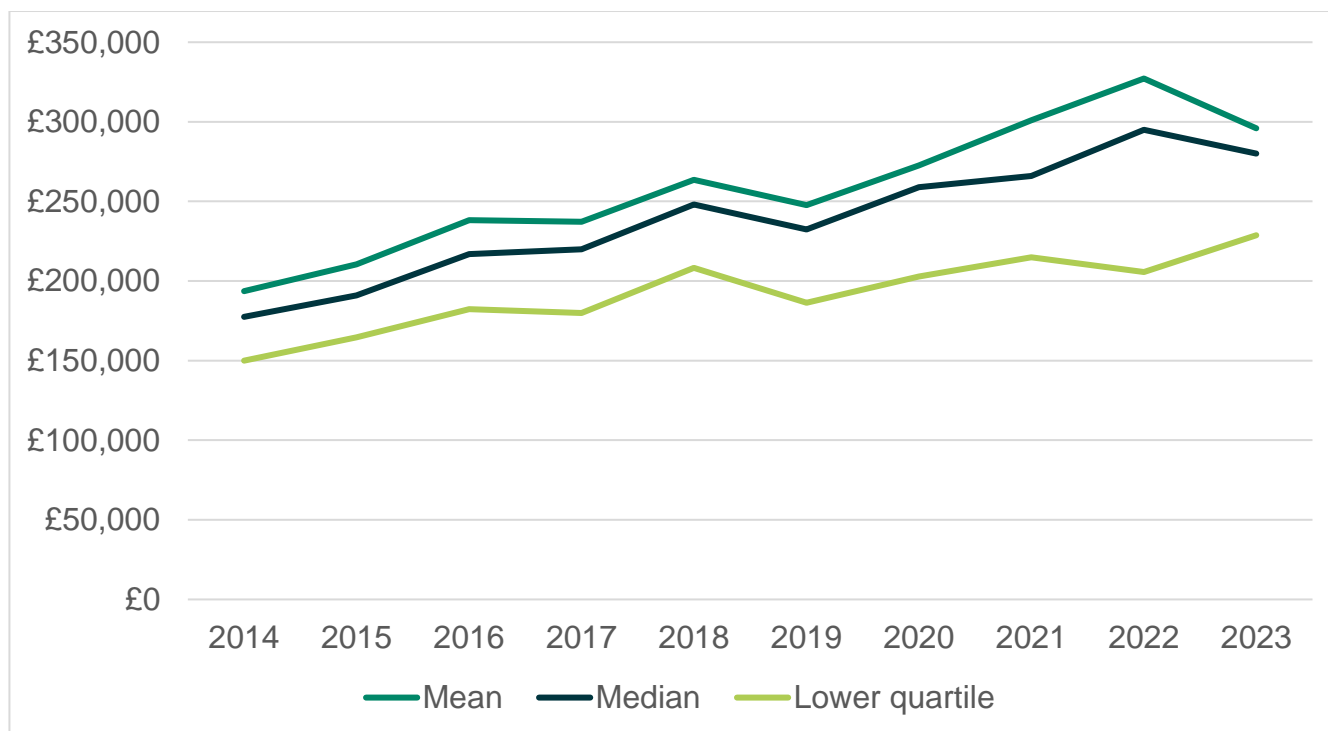
Sources: Census 2021 and 2011, AECOM Calculations

4.4. Affordability

House prices

- 4.4.1. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
- 4.4.2. Figure 4-1 looks at the average and lower quartile house prices in Somersham based on sales price data published by the Land Registry. It shows that house prices increased over the decade, with some fluctuation. The median (the middle number when the data is sorted from smallest to largest) house price increased by 57.7% between 2014 and 2023, peaking in 2022 at £295,000. The 2023 median house price was £280,000. The lower quartile (the middle figure of the lowest 50% of prices and a good representation of entry-level housing) house price increased by 52.5% over the same period, peaking in 2023 at £228,750.
- 4.4.3. The median house price across Huntingdonshire in 2023 was £311,250, with a lower quartile house price of £230,000. Whilst the district lower quartile house price is broadly in line with Somersham, Huntingdonshire's median house price was greater than the NA.

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



Source: Land Registry PPD

4.4.4. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that the greatest increase was in detached house prices, which increased by 75.4% between 2014 and 2023. There was also significant growth in all other dwelling types, of over 50%. Detached prices unsurprisingly remained the greatest each year. There is some year-on-year fluctuation with each type due to the annual average by type being derived from a smaller sample size within each category. This means that characteristics, such as the size, location, and condition of the dwelling, can have a greater impact on the average.

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

| Type | Detached | Semi-detached | Terraced | Flats | All Types |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 2014 | £210,000 | £179,995 | £140,750 | £62,000 | £177,500 |
| 2015 | £274,998 | £190,000 | £165,000 | £73,500 | £191,000 |
| 2016 | £300,000 | £211,000 | £175,000 | £66,000 | £217,000 |
| 2017 | £297,500 | £220,000 | £178,000 | £120,000 | £220,000 |
| 2018 | £333,500 | £236,500 | £206,500 | £95,500 | £248,000 |
| 2019 | £313,000 | £235,000 | £205,000 | £145,000 | £232,500 |
| 2020 | £320,000 | £228,000 | £169,000 | £133,000 | £259,000 |
| 2021 | £307,500 | £262,500 | £201,000 | £108,000 | £266,000 |
| 2022 | £425,000 | £315,000 | £226,000 | £123,500 | £295,000 |
| 2023 | £368,250 | £280,000 | £222,000 | £105,000 | £280,000 |
| Growth | +75.4% | +55.6% | +57.7% | +69.4% | +57.7% |

Source: Land Registry PPD

Income

- 4.4.5. Household incomes determine the ability of most households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
- 4.4.6. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £52,100 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.
- 4.4.7. 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. Huntingdonshire's gross individual lower quartile annual earnings were £21,923 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £43,846.
- 4.4.8. It is clear from this data that there is a large gap between the spending power of average income households and those earning the lowest 25% of earnings, particularly where the household in question has one earner only.

Affordability Thresholds

- 4.4.9. 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 assessed using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.4.10. AECOM has determined thresholds for the income required in Somersham to buy a home in the open market (average and entry-level prices), and the income required to afford private rents and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
- 4.4.11. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken, and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.
- 4.4.12. The analysis in Table 4-4 does not take account of wealth (beyond savings sufficient for a 10% deposit) or existing housing equity which may provide substantial additional financial resources for many existing home owners. Wealth and equity resources are difficult to measure, particularly at the localised level. Furthermore, the affordability analysis in HNAs is primarily focused on access to different housing options for those

entering the market for the first time, either to rent or buy, and developing policies that support those who have difficulty accessing market housing. Nevertheless, many households will have additional resources that are not factored into this analysis. This is particularly the case for older owner occupiers since many own their homes outright, and/or have built up substantial equity in their existing homes over time.

4.4.13. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

| Tenure | Mortgage value (90% of price) | Annual rent | Income required | Affordable on average incomes? £52,100 | Affordable on LQ earnings (single earner)? £21,923 | Affordable on LQ earnings (2 earners)? £43,846 |
|--|-------------------------------|-------------|-----------------|---|---|---|
| Market Housing | | | | | | |
| Median House Price | £252,000 | - | £72,000 | No | No | No |
| Estimated NA New Build Entry-Level House Price | £264,575 | | £75,593 | No | No | No |
| LQ/Entry-level House Price | £205,875 | - | £58,821 | No | No | No |
| LA New Build Median House Price | £359,996 | - | £102,856 | No | No | No |
| Average Market Rent (and Rent to Buy) | - | £15,024 | £50,080 | Yes | No | No |
| Entry-level Market Rent (and Rent to Buy) | - | £11,376 | £37,920 | Yes | No | Yes |
| Affordable Home Ownership | | | | | | |
| Discounted Market Sale (-20%) | £211,660 | - | £60,474 | No | No | No |
| First Homes (-30%) | £185,203 | - | £52,915 | Marginal | No | No |
| First Homes (-40%) | £158,745 | - | £45,356 | Yes | No | No |
| First Homes (-50%) | £132,288 | - | £37,796 | Yes | No | Yes |
| Shared Ownership (50%) | £132,288 | £3,675 | £50,045 | Yes | No | No |
| Shared Ownership (25%) | £66,144 | £5,512 | £37,271 | Yes | No | Yes |
| Shared Ownership (10%) | £26,458 | £6,614 | £29,607 | Yes | No | Yes |
| Affordable Rented Housing | | | | | | |
| Affordable Rent | - | £7,099 | £23,663 | Yes | No | Yes |
| Social Rent | - | £5,009 | £16,695 | Yes | Yes | Yes |

Source: AECOM Calculations

4.4.14. Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give an indication of the costs of

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

Market housing for purchase and rent

- 4.4.15. 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 large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to many. The median house price would require an annual income approximately 40% higher than the current average.
- 4.4.16. Private renting is generally only affordable to average income households, with households with two lower quartile earners able to afford entry-level rents. Households made up of one lower quartile earner cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

- 4.4.17. There is a relatively large group of households in Somersham who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £37,920 per year (at which point entry-level rents become affordable) and £58,821 (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 Discounted Market Sale, First Homes, Shared Ownership and Rent to Buy.
- 4.4.18. Discounted Market Sale homes are offered at a discount at least 20% on market prices. First Homes are offered at a discount of at least 30% on market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
- 4.4.19. This report has estimated the income required to afford discounts of 20-50% to cover the range of discounts likely to be available on these different products. First Homes at a 30% discount would make home ownership marginally affordable to households on mean incomes in Somersham, and increasing the discount to 50% makes it accessible to households with two lower quartile earners.
- 4.4.20. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. In some case, higher discount levels could create a financial burden on a

scheme which leads developers to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be reduced. The latter might put at risk the delivery of Social/Affordable rented housing which may be an unintended consequence. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the Steering Group intend to set higher discount levels (e.g. on First Homes) than that set at district/borough level, further discussions with the LPA are advised.

- 4.4.21. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with shared ownership at 25% and 10% equity accessible to households with two lower quartile earners. The minimum equity share for shared ownership is 10% of the property value.⁸ If this is delivered in the NA, it will make shared ownership easier to access for more households. 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 or discounted market sale products) for those who can afford them.
- 4.4.22. Rent to Buy provides households with the option to rent at a discount (an intermediate rent at least 20% lower than the market rent) in order that they can save for a deposit to buy their property within a set period. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership to households with two lower quartile earners, with the income threshold in line with First Homes at a 50% discount and shared ownership at 25% equity. Discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, comparable to shared ownership at 50% equity, and only accessible to households on mean incomes. For some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership and so Rent to Buy may therefore offer a useful product to meet the needs of these households.
- 4.4.23. The range of affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:
- Discounted Market Sale and 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.

⁸ 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>.

- Shared ownership at high equity shares performs a similar function to DMS/First Homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower income households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is likely to be 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.

Social and Affordable Rented housing

- 4.4.24. Social and Affordable Rented housing performs a critical role in supporting households with the most acute housing needs. These households are likely to be on the lowest incomes and unable to afford market housing without subsidy.
- 4.4.25. Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market levels. This appears to be the case in Somersham.
- 4.4.26. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average income households are unlikely to be eligible). However, households with a single lower earner appear only able to afford Social Rented dwellings. Households eligible for Social/Affordable Rented homes but unable to access them will likely require additional subsidy through Housing Benefit/Universal Credit to access housing (e.g. in the private rented sector).
- 4.4.27. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)⁹.
- 4.4.28. Social Rents are cheaper than Affordable Rents and, in theory, would leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. This is particularly the case for households who are supported by Housing Benefit and subject to the overall benefit cap since their benefit income is limited by the cap and they may not be able to claim enough to cover the Affordable Rent.
- 4.4.29. Where households are supported by housing benefit and not affected by benefit caps, the difference in the cost of Affordable and Social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that these households may

⁹ National Planning Policy Framework

be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

- 4.4.30. Households who are not supported by benefits, for example those whose earnings are higher and making them ineligible for benefits, would clearly benefit by the lower Social Rent levels because it would reduce their outgoings. However, these households are less likely to be in acute need on housing waiting lists. Rather, this scenario might apply to those already living in Social Rented housing where their financial circumstances have improved.
- 4.4.31. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data and more detailed evidence in LHNAs. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

4.5. Estimates of the need for Affordable Housing

- 4.5.1. This section estimates the need for Affordable Housing which should be considered separately for Social/ Affordable rented housing and affordable home ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

AECOM Estimates

The Need for Social/Affordable Rented Homes

- 4.5.2. AECOM estimates the need for 4 (rounded) Social/Affordable rented homes per annum in Somersham, equating to a total of 42 (rounded) over the plan period. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5 below. This need is largely for Social/Affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.
- 4.5.3. It is worth considering the role of the affordable rented housing sector in Somersham in relation to the wider Local Authority area. As a Key Service Centre it is likely that Somersham not only caters for the need generated locally but also some of the need of surrounding parishes or areas within Huntingdonshire. Discussions with Huntingdonshire District Council would be required to determine to what extent Somersham provides this wider role.

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

| Component of need or supply in the AECOM estimate | Per annum |
|---|-----------|
| Current need | 6.3 |
| Newly arising need | 1.4 |
| Supply | 3.9 |
| Net shortfall | 3.8 |

Source: AECOM model summary of estimates. Full estimate included in Appendix D

The Need for Affordable Home Ownership Homes

- 4.5.4. Turning to affordable home ownership, AECOM estimate potential demand for 14 (rounded) such dwellings per annum in Somersham, equating to a total of 155 (rounded) over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6 below.
- 4.5.5. 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 social/affordable rented housing.

Table 4-6: Estimate of need for Affordable Home Ownership Homes in Somersham

| Component of need or supply in the AECOM estimate | Per annum |
|---|-----------|
| Current need | 13.3 |
| Newly arising need | 0.8 |
| Supply | 0.1 |
| Net shortfall | 14.1 |

Source: AECOM model summary of estimates. Full estimate included in Appendix D

Additional evidence of Affordable Housing needs

- 4.5.6. Huntingdonshire District Council provided Housing Register data showing that as of January 2025, there were 69 households on the waiting list for affordable housing with a local connection to Somersham, with this figure used in the calculations for social/affordable rented housing need.
- 4.5.7. When looking at households with a preference for living in Somersham (but not necessarily with a local connection), there were 686 households on the Housing Register. If this figure was used as the baseline in the calculations above, it would suggest a need for 63.3 units of social/affordable rented housing per annum in Somersham, or 696.3 over the Neighbourhood Plan period.

4.6. Affordable Housing policies in Neighbourhood Plans

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

Application of Local Plan policies

- 4.6.2. Huntingdonshire District Council's adopted policy on this subject LP24 requires 40% of all new housing to be affordable. Given that Affordable Housing made up 20.6% of new housing in Somersham over the last decade according to Huntingdonshire District Council completions figures, it is understood that this target is not usually met on sites in the NA.
- 4.6.3. 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 emphasising that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

Affordable Housing at Neighbourhood level

- 4.6.4. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Somersham on the basis of identified housing need and a range of other considerations detailed in Appendix D.
- 4.6.5. The tenure mix required in the adopted Local Plan is 70% social/affordable rented and 30% other affordable tenures (e.g. affordable home ownership). The Local Plan guideline mix appears to offer a suitable benchmark because it prioritises the delivery of Social/Affordable Rent whilst also providing scope to deliver affordable home ownership products.
- 4.6.6. It is important that Social/Affordable Rent is prioritised in Somersham for a number of reasons:
- The proportion of households currently living in social rented housing (7.9%, 2021 Census) is below local authority (12.9%) and national (17.1%) levels;
 - There is a current backlog of need in the region of 69 households, with these households on the Housing Register with a local connection to Somersham. It is not necessarily appropriate for these households to wait until the end of the Neighbourhood Plan period to be housed (as the modelling assumes a rate of turnover in stock). This figure rises to 686 households when only taking into account Huntingdonshire households' preferences; and

- As a Key Service Centre it is likely that Somersham meets some of the needs of surrounding villages and rural hinterland.
- 4.6.7. AECOM suggest an indicative mix of 10% First Homes and 20% shared ownership, with shared ownership the slightly more affordable option. Rent to Buy does not feature in the mix as one of the less affordable options, but it may potentially be a useful option for households with little or no savings for a deposit.
- 4.6.8. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)¹⁰.
- 4.6.9. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data, housing benefit data, more detailed evidence in LHNAs and viability assessments. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.
- 4.6.10. Where the Steering 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 Huntingdonshire District Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

4.7. Conclusions- Affordability and Affordable Housing

Current tenure profile

- 4.7.1. 2021 Census data shows that 76.7% of households in Somersham owned their own home, compared to 69.0% across the district and 61.3% nationally. The NA had a significantly smaller proportion of households living in Affordable Housing than the comparator geographies, at 8.0% compared to 14.3% across Huntingdonshire and 18.1% nationally. Somersham also had the smallest private rented sector, although this was more in line with the district than other tenures.

Affordability

- 4.7.2. House prices increased in Somersham between 2014 and 2023, with some fluctuation. The median house price increased by 57.7% in this time, peaking in 2022 at £295,000. The 2023 median house price was £280,000. The lower quartile house price increased by 52.5% over the same period, peaking in 2023 at £228,750.
- 4.7.3. Local households on average incomes are unable to access even entry-level homes unless they have the advantage of a large deposit. The median house price would require an annual income approximately 40% higher than the current average. Private

¹⁰ National Planning Policy Framework

renting is generally only affordable to average income households, with households with two lower quartile earners able to afford entry-level rents.

- 4.7.4. Looking at affordable home ownership options, First Homes at a 30% discount would make home ownership marginally affordable to households on mean incomes in Somersham, and increasing the discount to 50% makes it accessible to households with two lower quartile earners. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with shared ownership at 25% and 10% equity accessible to households with two lower quartile earners. Rent to Buy may offer an option to households with little or no savings for a deposit.
- 4.7.5. Affordable rented housing is generally affordable to households with two lower earners. Households with a single lower earner appear only able to afford Social Rented dwellings. Households eligible for Social/Affordable Rented homes but unable to access them will likely require additional subsidy through Housing Benefit/Universal Credit to access housing.

The need for Affordable Housing

- 4.7.6. AECOM estimates the need for 4 Social/Affordable rented homes per annum in Somersham, equating to a total of 42 over the Neighbourhood Plan period.
- 4.7.7. Huntingdonshire District Council provided Housing Register data showing that as of January 2025, there were 69 households on the waiting list for affordable housing with a local connection to Somersham, with 686 households on the Housing Register with a preference for living in Somersham, regardless of local connection.
- 4.7.8. AECOM estimates the potential demand for 14 affordable home ownership dwellings per annum in Somersham, equating to a total of 155 over the Neighbourhood Plan period.

Affordable Housing policy

- 4.7.9. The tenure mix required in the adopted Local Plan is 70% social/affordable rented and 30% other affordable tenures (e.g. affordable home ownership). The Local Plan guideline mix appears to offer a suitable benchmark because it prioritises the delivery of Social/Affordable Rent whilst also providing scope to deliver affordable home ownership products.
- 4.7.10. AECOM suggest an indicative mix of 10% First Homes and 20% shared ownership when looking at affordable home ownership, with shared ownership the slightly more affordable option. Rent to Buy does not feature in the mix as one of the less affordable options, but it may potentially be a useful option for households with little or no savings for a deposit.
- 4.7.11. Table 4-7 summarises Somersham'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 Neighbourhood 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 plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-7: Estimated delivery of Affordable Housing in Somersham

| Step in Estimation | | Expected delivery |
|--------------------|---|-------------------|
| A | Sum of allocations / housing commitments | 280 |
| B | Affordable housing quota (%) in LPA's Local Plan | 40% |
| C | Potential total Affordable Housing in NA (A x B) | 112 |
| D | Rented % (e.g. social/ affordable rented) | 70% |
| E | Rented number (C x D) | 78.4 |
| F | Affordable home ownership % (e.g. Shared Ownership, Discounted Market Sale, First Homes, Rent to Buy) | 30% |
| G | Affordable home ownership number (C x F) | 33.6 |

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

4.7.12. The expected level of delivery does meet the quantity of demand identified in estimates for social/affordable rented housing, but not affordable home ownership. It is therefore recommended that the policy requirement is met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored.

4.7.13. 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 neighbourhood development orders, identifying exception sites or developing community land trusts.

5. Housing Mix: Type and Size

5.1. Introduction

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

Definitions

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

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

5.2. The current housing mix

- 5.2.1. This section establishes the current housing mix of Somersham, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

- 5.2.2. Table 5-1 below shows that over 50% of households in Somersham lived in detached dwellings, compared to 39.7% across Huntingdonshire and 22.9% nationally. Due to the dominance of this dwelling type, the NA had a smaller proportion of households living in all other dwelling types. For example, 13.9% of households in Somersham lived in terraced dwellings, with 18.0% and 23.0% respectively across the district and country. The NA also had a small proportion of households living in flats (6.9%) than nationally (22.2%), but this is not uncommon in more rural geographies.
- 5.2.3. Unfortunately, Census data does not count bungalows as an individual category, instead counting them within other dwelling types (mainly detached and semi-detached). Valuation Office Agency (VOA) data does count bungalows as a separate category, with 2023 VOA data showing that 14.6% of dwellings in the Somersham area (see Figure A-1) were bungalows, compared to 10.0% across Huntingdonshire and 9.1% nationally.

Table 5-1: Accommodation type, Somersham and comparator geographies, 2021

| Type | Somersham | Huntingdonshire | England |
|---------------|-----------|-----------------|---------|
| Detached | 51.0% | 39.7% | 22.9% |
| Semi-detached | 27.2% | 30.2% | 31.5% |
| Terrace | 13.9% | 18.0% | 23.0% |
| Flat | 6.9% | 11.2% | 22.2% |

Source: Census 2021, AECOM Calculations

5.2.4. Table 5-2 looks at the change between the 2011 and 2021. It shows that there was a slight increase in the proportion of households living in detached and flatted dwellings, with a slight decrease in the proportion of households living in semi-detached and terraced dwellings. Overall, there was little change in the type mix in Somersham, indicating that development that took place over the decade was broadly in line with the existing housing mix.

Table 5-2: Accommodation type, Somersham, 2011-2021

| Type | 2011 | 2021 |
|---------------|-------|-------|
| Detached | 50.0% | 51.0% |
| Semi-detached | 28.0% | 27.2% |
| Terrace | 14.9% | 13.9% |
| Flat | 6.7% | 6.9% |

Source: ONS 2021 and 2011, AECOM Calculations

Dwelling size

5.2.5. Table 5-3 below presents the current housing mix in terms of size compared to the wider local authority and country. It shows that in 2021 the greatest proportion of households in Somersham lived in mid-sized 3-bedroom dwellings (41.0%), in line with the trend across the geographies, although at a slightly higher proportion. Both Somersham and Huntingdonshire had a greater proportion of households living in larger 4+ bedroom dwellings (30.4% and 30.8% respectively) than England (21.1%). The NA had a notably smaller proportion of households living in smaller 1-2 bedroom dwellings (28.6%) than nationally (38.9%). Overall, the dwelling size mix in Somersham is broadly in line with the district, both of which have a skew towards larger dwellings in comparison to the country.

Table 5-3: Dwelling size (bedrooms), Somersham and comparator geographies, 2021

| Number of bedrooms | Somersham | Huntingdonshire | England |
|--------------------|-----------|-----------------|---------|
| 1 | 9.9% | 8.0% | 11.6% |
| 2 | 18.7% | 21.6% | 27.3% |
| 3 | 41.0% | 39.6% | 40.0% |
| 4+ | 30.4% | 30.8% | 21.1% |

Source: Census 2021, AECOM Calculations

5.2.6. Table 5-4 shows that between the 2011 and 2021 Censuses there were small increases in the proportion of households living in the smallest and largest dwellings, with slight decreases in the proportion of households living in 2-3 bedroom dwellings.

The increase in the proportion of households living in 4+ bedroom dwellings is likely not only due to the development of larger dwellings, but also the extension of existing dwellings. Completions data provided by Huntingdonshire District Council shows that between 2011/12 and 2023/24, a third of development in Somersham was for 3-bedroom dwellings, with 30.2% 2-bedroom, 27.0% 4+ bedroom, and 12.7% 1-bedroom.

Table 5-4: Dwelling size (bedrooms), Somersham, 2011-2021

| Number of bedrooms | 2011 | 2021 | Completions 2011/12 – 2023/24 |
|--------------------|-------|-------|-------------------------------------|
| 1 | 9.2% | 9.9% | 12.7% |
| 2 | 20.6% | 18.7% | 30.2% |
| 3 | 41.5% | 41.0% | 33.3% |
| 4+ | 28.7% | 30.4% | 27.0% |

Source: ONS 2021 and 2011, AECOM Calculations

5.3. Population characteristics

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

Age

5.3.2. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. In both 2011 and 2021 the greatest proportion of the population was aged 45-64, at 29.7% and 29.4% of the population respectively. There was a significant increase in the proportion of the population aged 65-84 over the decade, from 13.4% to 21.4%, with the number of people in this age group increasing by 54.1%, highlighting the aging population in the NA. There was a decrease in the number and proportion of people aged 64 and under over the decade, with the greatest decrease in the number of children aged 0-14 (-22.6%).

Table 5-5: Age structure of Somersham, 2011 and 2021

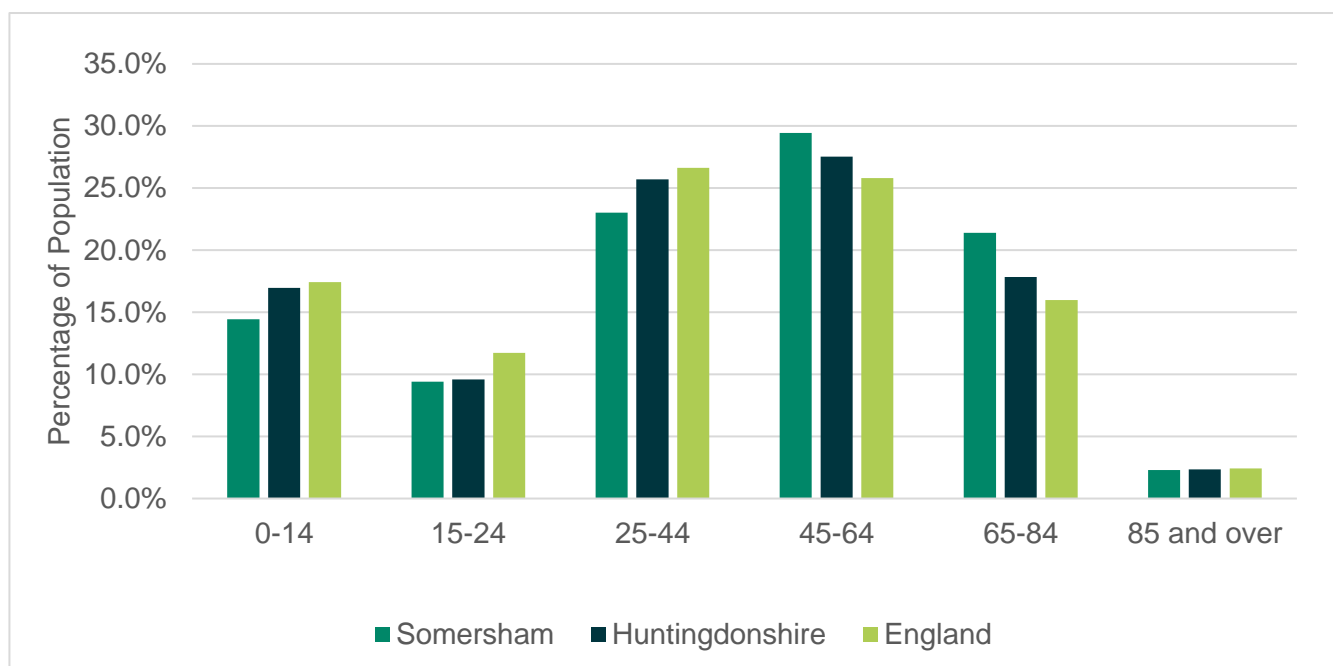
| Age group | 2011 | 2021 | Change |
|-------------|-------|-------|--------|
| 0-14 | 18.0% | 14.4% | -22.6% |
| 15-24 | 10.9% | 9.4% | -16.8% |
| 25-44 | 25.9% | 23.0% | -14.4% |
| 45-64 | 29.7% | 29.4% | -4.6% |
| 65-84 | 13.4% | 21.4% | +54.1% |
| 85 and over | 2.1% | 2.3% | +6.3% |

Source: ONS 2011, ONS 2021, AECOM Calculations

5.3.3. For context, it is useful to look at the NA population structure alongside that of the district and country. Figure 5-1 (using 2021 Census data) shows that Somersham had a greater proportion of the population aged 45-65 than both Huntingdonshire and England, but the smallest proportion aged 85 and over, potentially due to the oldest

members of the community having to move out of the NA to larger settlements for appropriate care provision. Somersham had a smaller proportion of the population aged 44 and under than the comparator geographies.

Figure 5-1: Age structure in Somersham, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

- 5.3.4. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that Somersham had a greater proportion of both single person and family households aged 66 and over than Huntingdonshire and England. The largest proportion of households in the NA had dependent children, at 22.4% of households, with this below district (26.0%) and national (25.8%) levels. Somersham had a greater proportion of families with no children than the comparator geographies.
- 5.3.5. It is also useful to look at the changes in household composition between 2011 and 2021. Census data shows that the number of households aged 65/66¹¹ and over increased by 54.1% in Somersham over the decade, compared to an increase of 34.6% across Huntingdonshire and 8.4% nationally, further indicative of an aging population in the NA. A similar pattern was observed in single person households aged 65/66 and over.

¹¹ 2011 Census counts households aged 65 and over whilst the 2021 Census counts households aged 66 and over.

Table 5-6: Household composition, Somersham, 2021

| Household composition | | Somersham | Huntingdonshire | England |
|-----------------------|---|-----------|-----------------|---------|
| One person household | Total | 30.0% | 28.1% | 30.1% |
| | Aged 66 and over | 15.3% | 12.4% | 12.8% |
| | Other | 14.7% | 15.6% | 17.3% |
| One family only | Total | 65.7% | 67.3% | 63.1% |
| | All aged 66 and over | 12.7% | 11.2% | 9.2% |
| | With no children | 20.4% | 19.9% | 16.8% |
| | With dependent children | 22.4% | 26.0% | 25.8% |
| | With non-dependent children ¹² | 9.9% | 9.7% | 10.5% |
| Other household types | Total | 4.2% | 4.7% | 6.9% |

Source: ONS 2021, AECOM Calculations

- 5.3.6. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A household is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
- 5.3.7. Under-occupancy is relatively common in Somersham, with 81.5% of households living in a dwelling with at least one additional bedroom based on their household size. This is most common in family households aged 66 and over (98.1% under-occupancy) and family households aged under 66 with no children (94.9% under-occupancy). Whilst not uncommon, this suggests that the largest housing in the NA is not necessarily occupied by the largest households, but by households with the most wealth or older households that have been unable to or chosen not to downsize.
- 5.3.8. There is also some over-occupancy (overcrowding) in Somersham, with 3.6% of families with dependent children and 2.5% of families with adult children living in a dwelling with too few bedrooms based on their household size.
- 5.3.9. The Covid-19 pandemic has had an impact on how households use their homes, with an increase in home working post-pandemic, changing the way many households occupy their homes. It may therefore be assumed that households where one or more person works from home (either full-time or as part of hybrid working) would seek more spacious properties, often with an extra bedroom which could be used as an

¹² Refers to households containing children who are older than 18 e.g students or young working people living at home.

office or study (although this would still be considered under-occupancy within the Census). However, households would need to balance the desire for larger dwellings for homeworking with affordability.

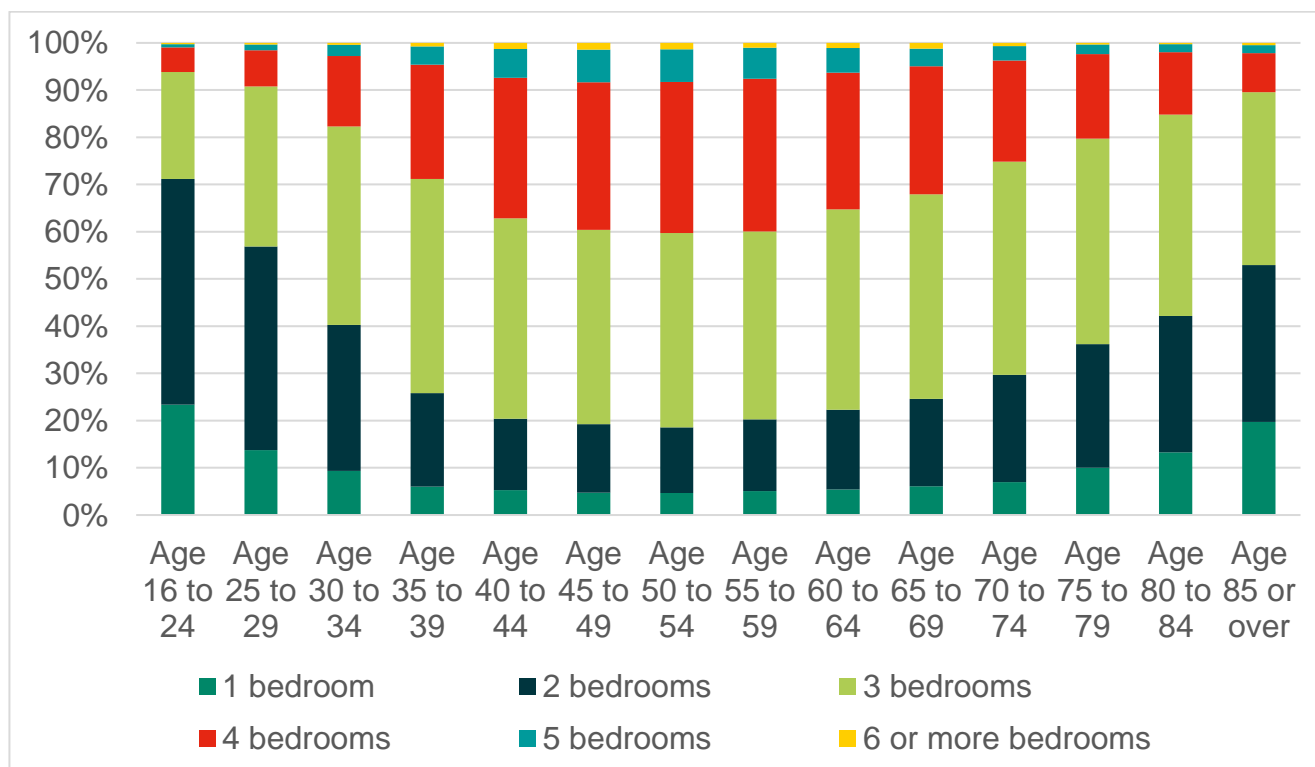
Table 5-7: Occupancy rating by age in Somersham, 2021

| Household type | +2 rating | +1 rating | 0 rating | -1 rating |
|--------------------------------------|-----------|-----------|----------|-----------|
| Family 66+ | 80.1% | 18.0% | 1.9% | 0.0% |
| Single person 66+ | 50.0% | 33.1% | 16.9% | 0.0% |
| Family under 66 - no children | 77.2% | 17.7% | 5.1% | 0.0% |
| Family under 66 - dependent children | 26.3% | 47.7% | 22.5% | 3.6% |
| Family under 66 - adult children | 34.6% | 47.8% | 15.1% | 2.5% |
| Single person under 66 | 36.3% | 26.7% | 37.1% | 0.0% |
| All households | 49.5% | 32.0% | 16.9% | 1.6% |

Source: Census 2021, AECOM Calculations

5.3.10. As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-2 sets out this relationship for Huntingdonshire in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

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



Source: ONS 2011, AECOM Calculations

5.4. Future population and size needs

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

Age

- 5.4.2. The result of applying Local Authority level household projections to the age profile of Somersham households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households, with households with a reference person aged 65 and over projected to increase by 74% between 2011 and 2036. This means that this age group will account for 35.3% of households in 2036, compared to 23.8% in 2011. There is also projected to be a slight increase in households with a reference person aged 55 to 64 (+11%), but a clear decrease in the youngest households aged 24 and under.

Table 5-8: Projected age of households, Somersham, 2011 - 2036

| Year | 24 and under | 25 to 34 | 35 to 54 | 55 to 64 | 65 and over |
|--------------------|--------------|----------|----------|----------|-------------|
| 2011 | 42 | 172 | 674 | 324 | 379 |
| 2036 | 30 | 174 | 645 | 360 | 659 |
| % change 2011-2036 | -28% | +1% | -4% | +11% | +74% |

Source: AECOM Calculations

- 5.4.3. The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-8 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.
- 5.4.4. This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.
- 5.4.5. The result of this exercise is presented in Table 5-9. It suggests that during the Neighbourhood Plan period, 43.1% of housing should be delivered as mid-sized 3-bedroom dwellings, 36.6% as 2-bedroom dwellings, and 20.3% larger 4+ bedroom dwellings. Although the modelling suggests no further delivery of the smallest dwellings, it is not necessarily appropriate to completely prohibit the delivery of 1-bedroom dwellings, as discussed further below.

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

| Number of bedrooms | Current mix (2021) | Suggested mix (end of Plan period) | Balance of new housing to reach suggested mix | Indicative policy range |
|--------------------|--------------------|------------------------------------|---|-------------------------|
| 1 | 9.9% | 7.7% | 0.0% | 0-10% |
| 2 | 18.7% | 21.3% | 36.6% | 30-40% |
| 3 | 41.0% | 41.6% | 43.1% | 40-50% |
| 4+ | 30.4% | 29.3% | 20.3% | 15-25% |

Source: AECOM Calculations

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

- 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, although it should be considered whether large numbers of 1-bedroom homes are suitable given the area's character and current density. Although modelling suggests no further delivery of smaller 1-bedroom dwellings in the NA, it may be necessary to deliver some smaller 1-bedroom social/affordable rented dwellings for households only eligible for this dwelling size.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Neighbourhood Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable.

Tenure

5.4.7. The recommendation discussed immediately above applies to all housing in the NA over the Neighbourhood Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.

- 5.4.8. Generally speaking, the size mix estimated as needed within affordable tenures, particularly Affordable and Social rent, is smaller than the size mix of market housing. This is because under local authority allocation policies, which reflect the shortage of Affordable Housing overall, households are only eligible for the minimum sized home that meets their needs. This means that single people and couples will generally only be entitled to one bedroom properties. Families with two young children are only likely to be eligible for two bedroom properties (with the expectation that children share rooms until a certain age). In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
- 5.4.9. There are some key sources of information for thinking through the size needs of different categories. These are:
- The Cambridgeshire & West Suffolk Housing Needs of Specific Groups study (2021) outlines a suggested mix of housing across Huntingdonshire by size and tenure. This suggests that market housing delivery across the district should focus on 3-bedroom dwellings, at 40-45% of the mix, with 20-30% of delivery as 2-bedroom and 4+ bedroom dwellings, and 10% or less as 1-bedroom dwellings. When looking at affordable home ownership, the focus is on 2-3 bedroom dwellings (60-80%), whilst social/affordable rented housing is suggested to be delivered as mainly 1-2 bedroom dwellings (60-80%).
 - The pattern of lettings within the existing stock of Social/Affordable Rented housing. Whilst there may be more households eligible for smaller properties, the availability of larger properties is often severely limited which puts pressure on these larger homes and often results in long waits for those needing larger family sized accommodation.
- 5.4.10. To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes to reflect the eligibility of those on the waiting list, while market homes focus on mid-sized homes and some larger options. That said, there is often acute pressure on larger Social/Affordable Rented homes because their availability through lettings is often limited. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

- 5.4.11. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where

it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.

- 5.4.12. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
- 5.4.13. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Somersham, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.
- 5.4.14. In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the Steering Group and community to consider.

5.5. Conclusions- Type and Size

The current housing mix

- 5.5.1. 2021 Census data shows that over 50% of households in Somersham lived in detached dwellings, compared to 39.7% across Huntingdonshire and 22.9% nationally. Due to the high proportion of households living in detached dwellings, the NA had a smaller proportion of households living in all other dwelling types. 13.9% of households in Somersham lived in terraced dwellings, compared to 23.0% nationally, with the NA also having a smaller proportion of households living in flats, with the latter not uncommon in more rural geographies. 2023 VOA data shows that 14.6% of dwellings in the Somersham area were bungalows, compared to 10.0% across Huntingdonshire and 9.1% nationally.
- 5.5.2. Turning to dwelling size, in 2021 the greatest proportion of households in Somersham lived in 3-bedroom dwellings (41.0%), at a slightly higher proportion than the comparator geographies. Somersham and Huntingdonshire had a greater proportion of households living in larger 4+ bedroom dwellings (30-31%) than England (21.1%). The NA had a notably smaller proportion of households living in smaller 1-2 bedroom dwellings (28.6%) than nationally (38.9%). Overall, the dwelling size mix in Somersham is broadly in line with the district, both of which have a skew towards larger dwellings in comparison to the country.

Population characteristics

- 5.5.3. In both 2011 and 2021 the greatest proportion of the population was aged 45-64, at 29.4% in 2021. There was a significant increase in the proportion of the population aged 65-84 over the decade, from 13.4% to 21.4%, with the number of people in this age group increasing by 54.1%, highlighting the aging population in the NA. There was a decrease in the number and proportion of people aged 64 and under over the same period.
- 5.5.4. Looking at households composition, in 2021 Somersham had a greater proportion of both single person and family households aged 66 and over than Huntingdonshire and England, further demonstrating a skew towards an older population. The largest proportion of households in the NA had dependent children, at 22.4%, although this was below district and national levels.
- 5.5.5. Under-occupancy is relatively common in Somersham, with 81.5% of households living in a dwelling with at least one additional bedroom based on their household size. This is most common in family households aged 66 and over and family households aged under 66 with no children, suggesting that the largest dwellings are occupied by households with the most wealth or older households that have been unable to or chosen not to downsize. There is also some over-occupancy in Somersham, with 3.6% of families with dependent children and 2.5% of families with adult children living in a dwelling with too few bedrooms based on their household size.

Future population and size needs

- 5.5.6. Population growth can be expected to be driven by the oldest households, with households with a reference person aged 65 and over projected to increase by 74% between 2011 and 2036. There is also projected to be a slight increase in households with a reference person aged 55 to 64 (+11%), and a clear decrease in the youngest households aged 24 and under.
- 5.5.7. AECOM modelling suggests that during the Neighbourhood Plan period, 43.1% of housing should be delivered as mid-sized 3-bedroom dwellings, 36.6% as 2-bedroom dwellings, and 20.3% larger 4+ bedroom dwellings. Although the modelling suggests no further delivery of the smallest dwellings, it is not necessarily appropriate to completely prohibit the delivery of 1-bedroom dwellings, particularly when considering the delivery of social/affordable rented housing. It may also be appropriate to reduce the proportion of 4+ bedroom dwellings delivered if smaller dwellings allow for under-occupying older households to downsize, freeing up larger existing stock.
- 5.5.8. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

6. Specialist Housing for Older People

6.1. Introduction

- 6.1.1. It is relatively common for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Somersham. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:
- To review the **current provision** of specialist housing in the NA;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 6.1.2. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.
- 6.1.3. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.¹³
- 6.1.4. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁴ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.
- 6.1.5. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

¹³ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁴ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing**¹⁵: self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.
- **Category M4(3):** dwellings which are capable of adaptation for wheelchair users, or are already built for use of wheelchair throughout. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.

6.2. Specialist housing for older people

- 6.2.1. There are a total of 56 units of specialist accommodation in the NA at present, all of which are available for social rent for those in financial need. Details are provided in Appendix E.
- 6.2.2. The 2021 Census indicates that at this time there were 370 individuals aged 75 or over in Somersham. This suggests that current provision is in the region of 151 units per 1,000 of the 75+ population (a common measure of specialist housing supply). It

¹⁵ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

is relevant to note that the national average for England is 136 units per 1,000 of the 75+ population¹⁶, so provision in the NA is above national levels.

6.2.3. There is also a care home in Somersham, with 14 bedspaces.

Demographic characteristics

6.2.4. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Somersham is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Huntingdonshire. The results are set out in Table 6-1. This shows that there were 370 individuals aged 75 and over in Somersham in 2021, with this projected to increase to 555 by 2036. This suggests that the 75+ population would account for 14.6% of the Somersham population by the end of the Neighbourhood Plan period, compared to 13.4% across Huntingdonshire.

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

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

| Age group | 2021 | 2021 | 2036 | 2036 |
|-----------|-----------|-----------------|-----------|-----------------|
| | Somersham | Huntingdonshire | Somersham | Huntingdonshire |
| All ages | 3,672 | 180,831 | 3,806 | 187,442 |
| 75+ | 370 | 16,722 | 555 | 25,065 |
| % | 10.1% | 9.2% | 14.6% | 13.4% |

Source: ONS SNPP 2020, AECOM Calculations

6.2.6. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.

6.2.7. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Neighbourhood Plan period to 2036. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the majority of these households own

¹⁶ Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now MHCLG) and the Care Services Improvement Partnership

their own home (83.2%), with the remaining 16.8% renting. Of the households renting, the greatest proportion lived in social rented housing, at 10.1% of all households.

- 6.2.8. The expected growth in the 75+ population in the NA is 185 additional individuals by the end of the plan period. This can be converted into 132 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Somersham households are likely to need in 2036 and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in Huntingdonshire (2011) and projected aged 75+ in Somersham (2036)

| | All owned | Owned outright | Owned (mortgage) or Shared Ownership | All Rented | Social rented | Private rented | Living rent free |
|------------------------------------|--------------|----------------|--------------------------------------|--------------|---------------|----------------|------------------|
| Huntingdonshire (2011 mix) | 83.2% | 57.3% | 25.8% | 16.8% | 10.1% | 5.9% | 0.8% |
| Somersham (2036 projection) | 110 | 76 | 34 | 22 | 13 | 8 | 1 |

Source: Census 2011

- 6.2.9. It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table E-2 in Appendix E presents this data for Somersham from the 2011 Census.

Future needs for specialist accommodation and adaptations

- 6.2.10. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Neighbourhood Plan period is calculated to be 61.
- 6.2.11. AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.
- 6.2.12. It is also helpful to look at the breakdown in tenure and level of care within the need for specialist housing for older people. Table 6-3 shows that there is a greater need for market (78.7%) than affordable (21.3%) provision, with this likely further

exacerbated by all of the current provision being available for social rent. There is a more even split between the need for sheltered (55.7%) and extra-care (44.3%) housing. The greatest sub-category of need is for sheltered market housing, with some of this need potentially able to be met through at home adaptations or ensuring that new housing that comes forward is accessible and adaptable.

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

| Type | Affordable | Market | Total |
|--|-----------------------|-----------------------|---------------|
| Housing with care | 7 (11.5%) | 20 (32.8%) | 27 (44.3%) |
| Adaptations, sheltered, or retirement living | 6 (9.8%) | 28 (45.9%) | 34 (55.7%) |
| Total | 13 (21.3%) | 48 (78.7%) | 61 |

Source: Census 2011, AECOM Calculations

6.2.13. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table E-3 in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Somersham results in a total of 46 specialist dwellings that might be required to the end of the Neighbourhood Plan period. This is set out in Table 6-4.

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

| Type | Affordable | Market | Total |
|--|-----------------------|-----------------------|---------------|
| Housing with care | 6 (13.0%) | 7 (15.2%) | 13 (28.3%) |
| Adaptations, sheltered, or retirement living | 11 (23.9%) | 22 (47.8%) | 33 (71.7%) |
| Total | 17 (37.0%) | 29 (63.0%) | 46 |

Source: Housing LIN, AECOM calculations

Further considerations

6.2.14. The above estimates suggest that potential need for specialist accommodation could be in the range of 46-61 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

- 6.2.15. In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
- 6.2.16. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
- 6.2.17. It is considered that Somersham is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Somersham in other suitable locations near to but outside the Plan area boundaries).
- 6.2.18. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

6.3. Care homes

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

per 1,000 people aged 75+. Based on these rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2036 there would be a need for 12 residential care beds and 8 nursing care beds in the NA, an increase of 20 from present levels. It should be noted that allocation SM2 in the Local Plan allocates development for a care home comprising approximately 60 beds, which would be more than sufficient to meet the localised need to 2036, likely also meeting the needs of surrounding smaller villages.

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

6.4. The Role of Mainstream Housing

- 6.4.1. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 81% of the Somersham population aged 75 and over is likely to live in the mainstream housing stock¹⁷.
- 6.4.2. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
- 6.4.3. However, given that there is unlikely to be a large volume of additional specialist supply during the Neighbourhood Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Huntingdonshire District Council.
- 6.4.4. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings¹⁸, although changes to Building Regulations have not yet been made.
- 6.4.5. The current adopted Local Plan policy 25 (Housing Mix) outlines that all new housing should meet national standards for accessibility and adaptability (Category M4(2)). It also notes that a proportion of new market dwellings on large scale development should meet standards for wheelchair users (Category M4(3)), with the proportion within Affordable Housing to be decided with the Council.

¹⁷ 370 over 75s in 2021, of which 56 are accommodated in specialist housing, with a further 14 in care home accommodation, leaving 300 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

¹⁸ See Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK (www.gov.uk)

- 6.4.6. The evidence gathered justifies the Steering Group aligning with the LPA requirements on accessibility and adaptability.
- 6.4.7. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.
- 6.4.8. Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Somersham to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for 2-8 wheelchair accessible dwellings over the Neighbourhood Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally Applied to Somersham

| | Percentage in England | % applied to NA housing requirement figure (280 to end of plan period) |
|--|-----------------------|--|
| Households using wheelchair all the time | 0.6% | 1.7 |
| Households using wheelchair either indoors or outdoors | 3.0% | 8.4 |

Source: Survey of English Housing 2018/19

6.5. Conclusions- Specialist Housing for Older People

- 6.5.1. There are currently 56 units of specialist housing for older people in Somersham, all of which are available for social rent.
- 6.5.2. 2021 Census data shows that at this time there were 370 individuals aged 75 and over in Somersham, accounting for 10.1% of the population. This is projected to increase to 14.6% by 2036, above the district rate of 13.4%.

Specialist housing for older people

- 6.5.3. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 6.5.4. These two methods of estimating the future need in Somersham produce a range of 46 to 61 specialist accommodation units that might be required during the Neighbourhood Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

- 6.5.5. It is helpful to look at the breakdown in tenure and level of care within the need for specialist housing for older people in Somersham. There is a greater need identified for market than affordable provision, with this likely further exacerbated by all of the current provision being available for social rent. The greatest sub-category of need is for sheltered market housing, with some of this need potentially able to be met through at home adaptations or ensuring that new housing that comes forward is accessible and adaptable.
- 6.5.6. It is considered that Somersham is, in broad terms, a suitable location for specialist accommodation on the basis of its place in the settlement hierarchy and the level of amenities available in the NA.

Care homes

- 6.5.7. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on these rates, applied to the projected growth of the older population, it is estimated that in 2036 there would be a need for 12 residential care beds and 8 nursing care beds in Somersham to meet the needs of this increase in older population.
- 6.5.8. It should be noted that allocation SM2 in the Local Plan allocates development for a care home comprising approximately 60 beds, which would be more than sufficient to meet the localised need to 2036, likely also meeting the needs of surrounding smaller villages.

Accessible and adaptable housing

- 6.5.9. Another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
- 6.5.10. The current adopted Local Plan outlines that all new housing should meet national standards for accessibility and adaptability (Category M4(2)). It also notes that a proportion of new market dwellings on large scale developments should meet standards for wheelchair users (Category M4(3)), with the proportion within Affordable Housing to be decided with the Council.

7. Next Steps

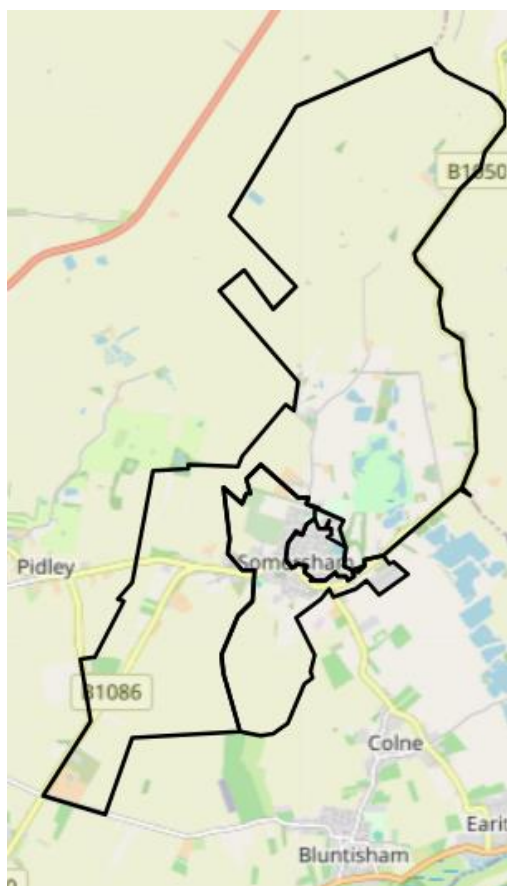
7.1. Recommendations for next steps

- 7.1.1. This Neighbourhood Plan housing needs assessment aims to provide Somersham Neighbourhood Plan Steering Group 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 Huntingdonshire District 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 Huntingdonshire District Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Huntingdonshire District Council.
- 7.1.2. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
- 7.1.3. Bearing this in mind, it is recommended that the Steering Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Huntingdonshire District Council, or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 7.1.4. 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 : Assessment geography

- A.1 For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs).
- A.2 As noted in the main report, it is not possible to exactly recreate the NA (see Figure 2-1) in the 2011 or 2021 Census. Figure A-1 shows the closest geography it is possible to create using Census LSOAs. Although the 2021 Census parish profile for Somersham aligns exactly with the geography of the NA, there is very limited data available at this geography so it cannot be used throughout the report (headline figures for population and households are provided in Chapter 1 and 2).
- A.3 The NA equates most closely to the following combination of LSOA and OAs, which will be used for Census data throughout the report:
- LSOA E01018197;
 - LSOA E01018198;
 - OA E00091795; and
 - OA E00091796.

Figure A-1: Map of NA for Census Data

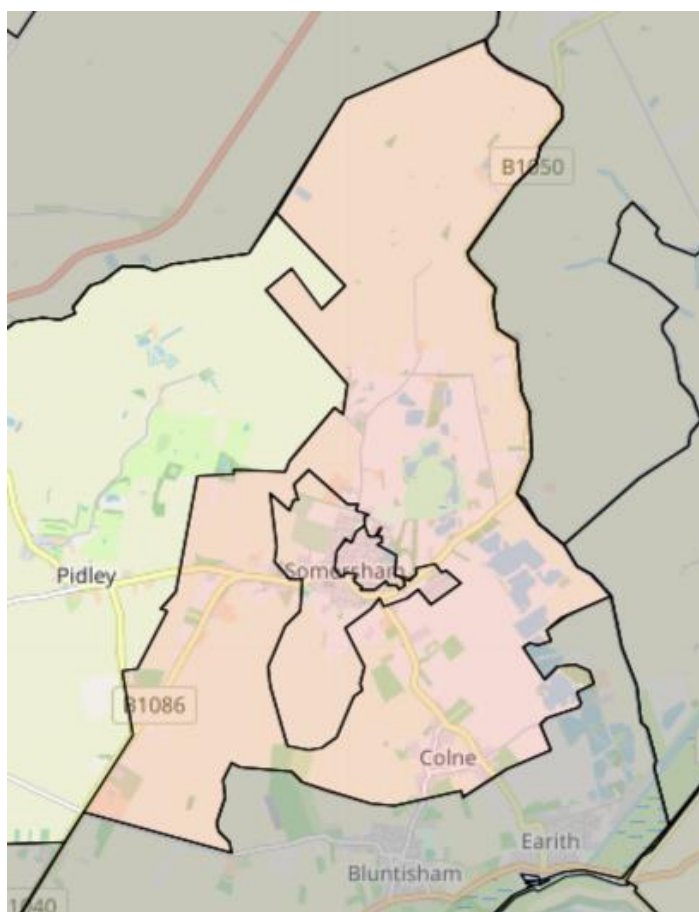


Source: NOMIS

A.4 Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. The most relevant combination of LSOAs in this case, which will need to be used as a proxy for the NA, is:

- LSOA E01018197;
- LSOA E01018198; and
- LSOA E01018199.

Figure A-2: Map of LSOA for VOA Data

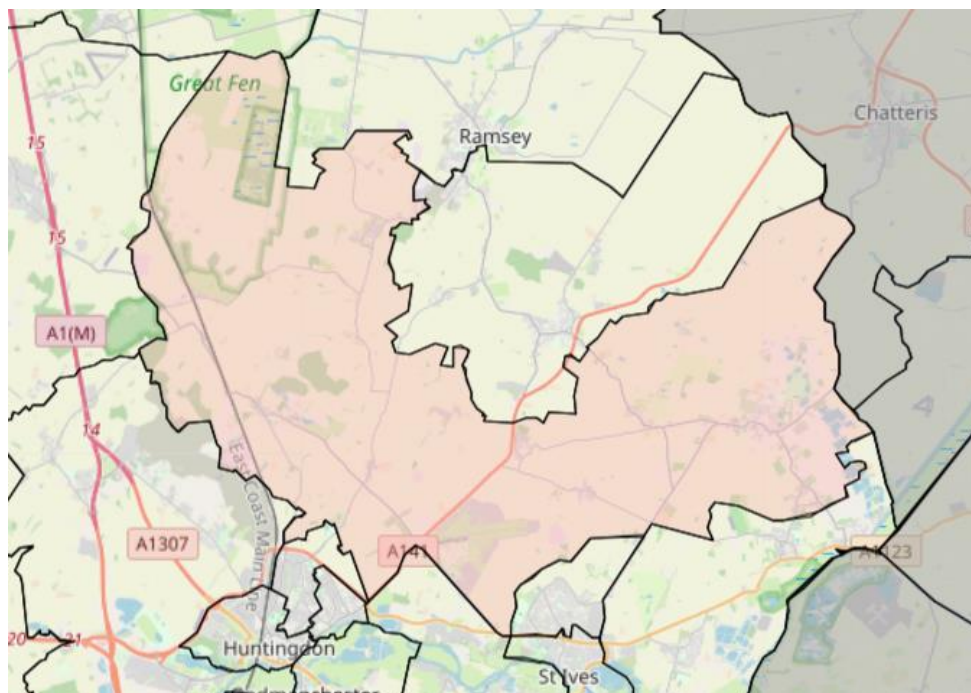


Source: NOMIS

A.5 Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the NA is located and which will need to serve as a proxy for it, is:

- MSOA E02003758

Figure A-3: Map of MSOA for Income Data



Source: NOMIS

Appendix B : Local Plan context

Policies in the adopted local plan

B.1 Table B-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Somersham.

Table B-1: Summary of relevant adopted policies in the adopted Local Plan for Huntingdonshire

| Policy | Provisions |
|--------------------------------|---|
| LP1 – Amount of Development | In Huntingdonshire in the period 2011-2036 provision will be made for at least 20,100 new homes (both market and affordable). |
| LP2 – Strategy for Development | <p>Four spatial planning areas are designated reflecting their status as the district's traditional market towns and most sustainable centres. These are centred around:</p> <ul style="list-style-type: none"> • Huntingdon including Brampton and Godmanchester and the strategic expansion location of Alconbury Weald • St Neots including Little Paxton and the strategic expansion location of St Neots East • St Ives • Ramsey and Bury <p>Approximately $\frac{3}{4}$ of the objectively assessed need for housing will be focused in the spatial planning areas.</p> <p>Seven key service centres are designated reflecting the concentration of services and facilities. This includes Somersham.</p> <p>All other settlements with a single built up area of 30 dwellings or more are defined as Small Settlements.</p> <p>Approximately $\frac{1}{4}$ of the objectively assessed need for housing will be permitted on sites dispersed across the key service centres and small settlements.</p> <p>In addition, rural exception, small and windfall sites will be permitted on sites which are in conformity with other policies of the plan, providing further flexibility in the housing supply.</p> |
| LP8 – Key Service Centres | <p>A proposal for development on a site which is additional to those allocated in the plan will be supported where it is located within a built-up area of a Key Service Centre.</p> <p>A proposal for development on land well-related to the built-up area may be supported where it accords with the specific opportunities allowed for through other policies of the plan.</p> |

| Policy | Provisions |
|-------------------------------------|---|
| LP24 – Affordable Housing Provision | <p>In order to assist in meeting the identified local need for additional affordable homes, a proposal which includes housing development will be required to provide a range of affordable housing types, sizes and tenures. These should be appropriate to meet the requirements of the local community taking into account the latest evidence from the Housing Register, the Cambridge sub-region Strategic Housing Market Assessment and other local sources. The affordable housing provision may include specialist or supported housing where an identified need exists. A proposal will be supported where:</p> <ol style="list-style-type: none"> It delivers a target of 40% affordable housing on a site where 11 homes or 1,001m² residential floorspace (gross internal area) or more are proposed; It provides approximately 70% of the new affordable housing units as social or affordable rented properties with the balance made up of other affordable tenures; Affordable housing is dispersed across the development in small clusters of dwellings; and It ensures that the appearance of affordable housing units is externally distinguishable from that of open market housing. |
| LP25 – Housing Mix | <p>A proposal for major scale development that includes housing will be supported where it provides a mix of sizes, types and tenures which help achieve sustainable, inclusive and mixed communities.</p> <p>A proposal for wholly affordable housing will be supported where it contributes positively to the mix of tenures available in the local area.</p> <p>A proposal that includes housing will be supported which meets the optional Building Regulation accessibility standards (or replacement standards) as set out below, unless it can be demonstrated that site-specific factors make achieving this impractical or unviable:</p> <ul style="list-style-type: none"> ensuring 100% of new dwellings, across all tenures provided, meet Building Regulation requirement M4(2) ‘accessible and adaptable dwellings’ (or replacement standards); and within a large scale development proposal the construction standards of a proportion of new market dwellings should be further enhanced to meet Building Regulation requirement M4(3) ‘wheelchair adaptable dwellings’ (or replacement standards); and for all affordable housing an appropriate proportion meeting Building Regulation requirement M4(3) ‘wheelchair adaptable dwellings’ (or replacement standards) should be negotiated with the Council’s Housing Strategy team. |

| Policy | Provisions |
|---|---|
| | Where appropriate, the Council will work with developers, registered providers, landowners and relevant individuals or groups to address identified local requirements for self and custom-build homes as identified in the Huntingdonshire self and custom-build register. |
| LP26 – Specialist Housing | <p>A proposal for self-contained specialist housing (class 'C3') will be supported in line with the criteria in the full policy.</p> <p>A proposal for a new residential institution or replacement or extension of an existing one (class 'C2') will be supported in line with the criteria in the full policy.</p> |
| LP28 – Rural Exceptions Housing | <p>A proposal for housing will be supported on a site well-related to a built-up area, as an exception to the requirements of relevant policies, where it can be demonstrated that:</p> <ol style="list-style-type: none"> at least 60% (net) of the site area is for affordable housing for people with a local connection; the number, size, type and tenure of the affordable homes is justified by evidence that they would meet an identified need arising within the settlement or nearby small settlements through a local needs survey or other local needs evidence; the remainder of the site area is available as open market housing or plots suitable for custom or self-build homes tailored to meet locally generated need; the amount of development and location of the proposal is sustainable <p>Mechanisms, including planning conditions/obligations, will be put in place to ensure that the affordable housing is delivered and remains affordable in perpetuity or for the appropriate period as applicable to the form of housing.</p> |
| SM1 – College Farm, West of Newlands Industrial Estate, Somersham | 1.8ha of land at College Farm, West of Newlands Industrial Estate, Somersham is allocated for residential development of approximately 55 homes. |
| SM2 – Newlands, St Ives Road, Somersham | 2.5ha of land at Newlands, St Ives Road, Somersham is allocated for development for mixed uses, including approximately 45 homes and a care home comprising approximately 60 beds. |
| SM3 – The Pasture, Somersham | 0.6ha of land at The Pasture, Somersham is allocated for approximately 15 dwellings. |

| Policy | Provisions |
|--------------------------------------|---|
| SM4 – Somersham Town Football Ground | 1.8ha of land at Somersham Town Football Ground is allocated for development of approximately 45 homes. |
| SM5 – North of the Bank, Somersham | 5.5ha of land north of the Bank, Somersham is allocated for development of approximately 120 homes. |

Source: Huntingdonshire District Council

Appendix C : Affordability calculations

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

Market housing

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

Market sales

- C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
- C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Somersham, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
- C.5 The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2023) = £280,000;
 - Purchase deposit at 10% of value = £28,000;
 - Value of dwelling for mortgage purposes = £252,000;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £72,000.
- C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2023 was £228,750, and the purchase threshold is therefore £58,821.
- C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. The Land Registry recorded no sales of new build properties in the NA in 2023. It is, however, important to understand the likely cost of new housing because new housing

is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

- C.8 Therefore an estimate has been calculated by determining the uplift between all house prices in 2023 across Huntingdonshire and new build house prices in 2023 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2023 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £293,972 and purchase threshold of £75,593.
- C.9 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Huntingdonshire in 2023. The median cost of new build dwellings in Huntingdonshire was £399,995, with a purchase threshold of £102,856.

Private Rented Sector (PRS)

- C.10 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
- C.11 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.12 The property website Rightmove.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within a 3 mile radius of Somersham, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.
- C.13 According to Rightmove.co.uk, there were 25 properties for rent at the time of search in February 2025, with an average monthly rent of £1,252. There were 10 2-bedroom properties listed, with an average price of £948 per calendar month.
- C.14 The calculation for the private rent income threshold for entry-level (2-bedroom) dwellings is as follows:

- Annual rent = £948 x 12 = £11,376;

- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £37,920.

C.15 The calculation is repeated for the overall average to give an income threshold of £50,080.

Affordable Housing

C.16 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2024: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The First Homes product was introduced in 2021 but is not included in the NPPF Annex 2 definitions. Each of the affordable housing tenures are considered below.

Social rent

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

C.18 To determine social rent levels, 2021 data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Somersham. This data provides information about rents and the size and type of stock owned and managed by private registered providers and local authorities and is presented for Huntingdonshire in Table C-1.

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

Table C-1: Social rent levels (£)

| Size | 1 bed | 2 beds | 3 beds | 4 beds | All |
|------------------------------|---------|---------|---------|---------|---------|
| Average social rent per week | £81.11 | £94.27 | £103.49 | £118.75 | £96.32 |
| Annual average | £4,218 | £4,902 | £5,381 | £6,175 | £5,009 |
| Income needed | £14,059 | £16,340 | £17,938 | £20,583 | £16,695 |

Source: Homes England, AECOM Calculations

Affordable rent

C.20 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is capped).

- C.21 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
- C.22 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Huntingdonshire. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.23 Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 61% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

| Size | 1 bed | 2 beds | 3 beds | 4 beds | All |
|----------------------------------|---------|---------|---------|---------|---------|
| Average affordable rent per week | £112.21 | £132.80 | £156.98 | £193.94 | £136.52 |
| Annual average | £5,835 | £6,906 | £8,163 | £10,085 | £7,099 |
| Income needed | £19,450 | £23,019 | £27,210 | £33,616 | £23,663 |

Source: Homes England, AECOM Calculations

Affordable home ownership

- C.24 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

Discounted Market Sale/ First Homes

- C.25 Discounted market sale homes are affordable home ownership products which offer a discount of at least 20% on market values.
- C.26 First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
 - After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
 - Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
 - They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;

- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- C.27 The starting point for considering whether Discounted Market Sale/First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £293,972.
- C.28 For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (estimated NA new build entry-level) = £293,972;
 - Discounted by 30% = £205,781;
 - Purchase deposit at 10% of value = £20,578;
 - Value of dwelling for mortgage purposes = £185,203;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £52,915.
- C.29 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home. This would require an income threshold of £60,474, £45,356 and £37,796 respectively.
- C.30 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. All of the discounted prices are also below the £250,000 cap.
- C.31 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m¹⁹) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Somersham.
- C.32 Table C-3 shows the discount required for market homes to be affordable to the three income groups. The cost of a typical discounted market sale property/First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about these properties in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

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

| House price benchmark | Mean household income | Single LQ earner | Dual LQ earning household |
|--|-----------------------|------------------|---------------------------|
| NA median house price | 28% | 70% | 39% |
| NA estimated new build entry-level house price | 31% | 71% | 42% |
| NA entry-level house price | 11% | 63% | 25% |
| LA median new build house price | 49% | 79% | 57% |

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

- C.33 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
- C.34 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
- C.35 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
- C.36 The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £293,972 is £73,493;
 - A 10% deposit of £7,349 is deducted, leaving a mortgage value of £66,144;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £18,898;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £220,479;
 - The estimated annual rent at 2.5% of the unsold value is £5,512;

- This requires an income of £18,373 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £37,271 (£18,898 plus £18,373).

C.37 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £29,607 and £50,045 respectively.

C.38 All of the income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

C.39 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.

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

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

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

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

| Stage and Step in Calculation | Total | Description |
|---|-------------|---|
| STAGE 1: CURRENT NEED | | |
| 1.1 Current households in need | 69.0 | Huntingdonshire District Council Housing Register data (14/01/25). Applicant households with a local connection to Somersham. |
| 1.2 Per annum | 6.3 | Step 1.1 divided by the plan period to produce an annualised figure. |
| STAGE 2: NEWLY ARISING NEED | | |
| 2.1 New household formation | 100.7 | MHCLG 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 | 15.2% | (Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA. |
| 2.2.1 Current number of social renters in NA | 129.0 | 2021 Census social rented households |
| 2.2.2 Number of private renters on housing benefits | 54.3 | Housing benefit caseload. Pro rata for NA. |
| 2.3 New households unable to rent | 15.3 | Step 2.1 x Step 2.2. |
| 2.4 Per annum | 1.4 | Step 2.3 divided by plan period. |
| STAGE 3: TURNOVER OF AFFORDABLE HOUSING | | |
| 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) | 3.9 | Step 3.1 x NA social rented stock (2.2.1). |
| NET SHORTFALL OF RENTED UNITS PER ANNUM | | |
| Overall shortfall per annum | 3.8 | Step 1.2 + Step 2.4 - Step 3.2 |
| Overall shortfall over plan period | 41.8 | Above * plan period |

Source: AECOM model, using Census 2021, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

- D.3 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Somersham. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
- D.4 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national

level which demonstrate that most households (typically 80% or more) aspire to home ownership.²¹ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

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

| Stage and Step in Calculation | Total | Description |
|---|-------------|---|
| STAGE 1: CURRENT NEED | | |
| 1.1 Current number of renters in NA | 250.0 | Census 2021 private rented households. |
| 1.2 Percentage renters on housing benefit in LA | 21.7% | % of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement |
| 1.3 Number of renters on housing benefits in the NA | 54.3 | Step 1.1 x Step 1.2. |
| 1.4 Current need (households) | 146.8 | Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ²² |
| 1.5 Per annum | 13.3 | Step 1.4 divided by plan period. |
| STAGE 2: NEWLY ARISING NEED | | |
| 2.1 New household formation | 100.7 | LA household projections for plan period (2018 based) pro rated to NA. |
| 2.2 % of households unable to buy but able to rent | 9.0% | (Step 1.4 + Step 3.1) divided by number of households in NA. |
| 2.3 Total newly arising need | 9.1 | Step 2.1 x Step 2.2. |
| 2.4 Total newly arising need per annum | 0.8 | Step 2.3 divided by plan period. |
| STAGE 3: SUPPLY OF AFFORDABLE HOUSING | | |
| 3.1 Supply of affordable housing | 2.0 | Number of shared ownership homes in the NA (Census 2021). |

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

²² 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.

| | | |
|------------------------------------|--------------|--|
| 3.2 Supply - intermediate resales | 0.1 | Step 3.1 x 5% (assumed rate of re-sale). |
| NET SHORTFALL PER ANNUM | | |
| Overall shortfall per annum | 14.1 | (Step 1.5 + Step 2.4) - Step 3.2. |
| Overall shortfall over plan period | 154.8 | Above * plan period |

Source: AECOM model, using Census 2021, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock.

- D.5 There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
- D.6 It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable housing policy

- D.7 The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

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

| Consideration | Local Evidence |
|---|--|
| <p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p> | <p>This HNA suggests that the NA requires around 42 units of social/affordable rented housing and 155 units of affordable home ownership homes over the Neighbourhood Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p> |
| <p>B. Can Affordable Housing needs be met in full?</p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p> | <p>If the Local Plan target of 40% were achieved on every site, assuming the delivery of the NA's housing requirement for 280 homes overall, up to 112 affordable homes might be expected in the NA over Neighbourhood Plan period.</p> |

| | |
|--|--|
| | This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. Therefore, the more urgent and acute need for rented housing should be prioritised. |
| <p>C. Government policy (e.g. NPPF) requirements:</p> <p>There is no required tenure mix set out in national policy (NPPF 2024) but local authorities are required to set out the minimum proportion of Social Rented housing needed in their areas as part of their Affordable Housing requirements.</p> | Implicit prioritisation of Social Rented homes within Affordable Housing policy at the nation level but local authorities have flexibility to set out the proportion needed in their areas. Local Plan tenure mix provides the starting point. |
| D. Local Plan policy: | The adopted Local Plan outlines that approximately 70% of new Affordable Housing should be delivered as social/affordable rent, with the remaining 30% made up of other affordable tenures. |
| E. 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 affordable home ownership properties. |
| <p>F. Funding:</p> <p>The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p> | The Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available. |
| <p>G. Existing tenure mix in Somersham:</p> <p>The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p> | 2021 Census data shows that at this time 8.0% of households in Somersham lived in Affordable Housing (7.9% social renting and 0.1% in shared ownership dwellings). This is compared to 1.4% of households across Huntingdonshire living in shared ownership dwellings, and 12.9% social renting (totalling |

| | |
|--|--|
| | 14.2% of households across the district living in Affordable Housing, with 18.1% nationally). |
| H. 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 social/affordable rented homes in the NA. The funding arrangements available to housing associations will also influence rent levels. |
| I. Wider policy objectives: | The Steering Group may wish to take account of broader policy objectives for Somersham 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. |

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Somersham

| | Name | Description | Dwellings | Tenure | Type |
|---|-------------------------------|---|-----------|------------------------|--------------------|
| 1 | Windsor Court / Feoffees Road | 1-bedroom and 2-bedroom flats and bungalows | 56 | Rent (social landlord) | Retirement housing |

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

Table E-2: Tenure and mobility limitations of those aged 65+ in Somersham, 2011 (65+ is the closest proxy for 75+ in this data)

| Tenure | Day-to-day activities limited a lot | | Day-to-day activities limited a little | | Day-to-day activities not limited | |
|--------------------------------------|-------------------------------------|--------------|--|--------------|-----------------------------------|--------------|
| All categories | 120 | 20.8% | 151 | 26.2% | 306 | 53.0% |
| Owned Total | 84 | 18.1% | 119 | 25.7% | 260 | 56.2% |
| Owned outright | 73 | 18.3% | 105 | 26.3% | 222 | 55.5% |
| Owned (mortgage) or shared ownership | 11 | 17.5% | 14 | 22.2% | 38 | 60.3% |
| Rented Total | 36 | 31.6% | 32 | 28.1% | 46 | 40.4% |
| Social rented | 29 | 34.1% | 23 | 27.1% | 33 | 38.8% |
| Private rented or living rent free | 7 | 24.1% | 9 | 31.0% | 13 | 44.8% |

Source: DC3408EW Health status

HLIN calculations

Table E-3: Recommended provision of specialist housing for older people from the HLIN SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

E.1 As Table 6-1 in the main report shows, Somersham is forecast to see an increase of 171 individuals aged 75+ by the end of the Neighbourhood Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.185 = 11$
- Leasehold sheltered housing = $120 \times 0.185 = 22$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.185 = 3.7$
- Extra care housing for rent = $15 \times 0.185 = 2.8$
- Extra care housing for sale = $30 \times 0.185 = 5.5$
- Housing based provision for dementia = $6 \times 0.185 = 1.1$

Appendix F : Housing Needs Assessment

Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

Affordable housing: 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) Social Rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent; (b) the landlord is 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.

b) Other affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for 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).

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²³.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard²⁴

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

²³ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²⁴ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

number of rooms not including bathrooms and hallways). This tends to produce higher levels of overcrowding/ under occupation. A detailed definition of the standard is given in the Glossary of the EHS Household Report.

Co-living

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

Community-led developments (NPPF definition)

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

Community Right to Build Order

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. The NPPF 2024 specifically defines it as follows: An Order made by the local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a site specific development proposal or classes of development.

Concealed Families (Census definition)²⁵

The 2021 Census defined a concealed family as one with young adults living with a partner and/or child/children in the same household as their parents, older couples living with an adult child and their family or unrelated families sharing a household. A single person cannot be a concealed family; therefore one older parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

²⁵ See

http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp/171776_350282.pdf

Equity Loans/Shared Equity

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

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

First Homes is another form of discounted market housing which will provide a discount of at least 30% on the price of new homes, introduced in 2021. These homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. 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 Need (NPPG 2024 definition)

Housing need is an unconstrained assessment of the minimum number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations.

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 Requirement (NPPF 2024 Definition)

The housing requirement is the minimum number of homes that a plan seeks to provide during the plan period. Once local housing need has been assessed, as set out in this guidance, authorities should then make an assessment of the amount of new homes that can be provided in their area. This should be justified by evidence on land availability, constraints on development and any other relevant matters.

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 Neighbourhood 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/>. Lifetime Homes standards have been broadly wrapped up into the M4(2) optional building regulations standards which relate to accessibility and adaptability of dwellings.

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 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 years²⁶, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living "rent free". Around 20% of the private rented sector are in this category. 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 Housing²⁷

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 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

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

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

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) is a document prepared by one or more local planning authorities to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the Neighbourhood 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 (former NPPF 2012 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. SHMAs generally identify the scale and mix of housing and the range of tenures the local population likely to be needed over the Neighbourhood 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 Older People

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

Social Rented Housing

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

²⁸ See

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

