

Lockington-Hemington

Housing Needs Assessment (HNA)

November 2022

Quality information

Prepared by	Checked by	Approved by
Olivia Carr Housing Consultant	Paul Avery Principal Housing Consultant	Paul Avery Principal Housing Consultant

Revision History

Revision	Revision date	Details	Authorized	Name	Position
1	October 2022	First Draft	OC	Olivia Carr	Housing Consultant
2	October 2022	Internal Review	PA	Paul Avery	Principal Housing Consultant
3	October 2022	Group Review	DG	Darren Green	Lockington-Hemington NP Advisory Committee
4	November 2022	Locality Review	MG	Madeleine Gohin	Neighbourhood Planning Officer
5	November 2022	Final Report	OC	Olivia Carr	Housing Consultant

Prepared for: Lockington-Hemington Neighbourhood Plan Advisory Committee

Prepared by:

AECOM Infrastructure & Environment UK Limited
Aldgate Tower
2 Lemn Street
London E1 8FA
United Kingdom
aecom.com

© 2022 AECOM Infrastructure & Environment UK Limited. All Rights Reserved.

This document has been prepared by AECOM Infrastructure & Environment UK 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.....	6
2. Context.....	13
Local context.....	13
The Housing Market Area Context.....	14
Planning policy context.....	15
Policies in the adopted local plan.....	16
Quantity of housing to provide.....	17
3. Approach.....	19
Research Questions.....	19
Tenure and Affordability.....	19
Type and Size.....	19
Specialist Housing for Older People.....	20
Relevant Data.....	20
4. RQ 1: Tenure, Affordability and the Need for Affordable Housing.....	21
Introduction.....	21
Current tenure profile.....	23
Affordability.....	24
House prices.....	24
Income.....	26
Affordability Thresholds.....	26
Houseboats.....	30
Affordable housing- quantity needed.....	34
Affordable Housing policy guidance.....	34
Conclusions- Tenure and Affordability.....	39
5. RQ 2: Type and Size.....	43
Introduction.....	43
Existing types and sizes.....	43
Background and definitions.....	43
Dwelling type.....	44
Dwelling size.....	46
Age and household composition.....	48
Age structure.....	48
Household composition.....	50
Occupancy ratings.....	51
Dwelling mix determined by life-stage modelling.....	52
Indicative future dwelling size mix.....	52
The HEDNA findings.....	56
Conclusions- Type and Size.....	57
6. RQ 3: Specialist housing for older people.....	60
Introduction.....	60
Current supply of specialist housing for older people.....	61
Tenure-led projections.....	61
Housing LIN-recommended provision.....	65
HEDNA findings.....	67
Conclusions- Specialist Housing for Older People.....	67

7.	Next Steps	70
	Recommendations for next steps	70
	Appendix A : Calculation of Affordability Thresholds.....	71
A.1	Assessment geography	71
A.2	Market housing	72
i)	Market sales	72
ii)	Private Rented Sector (PRS).....	73
A.3	Affordable Housing	74
i)	Social rent.....	74
ii)	Affordable rent.....	74
iii)	Affordable home ownership.....	75
	Appendix B : Housing Needs Assessment Glossary	78

List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HEDNA	Housing & Economic Development Needs Assessment
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
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1. Lockington-Hemington is a Neighbourhood Area located in the local authority area of North West Leicestershire. The Neighbourhood Area boundary covers the areas administered by Lockington-cum-Hemington Parish Council.
2. The Office for National Statistics mid-2020 population estimate for Lockington-Hemington is 883 individuals, showing an increase of 45 people since the 2011 Census.
3. There has been some development in Lockington-Hemington since 2011. North West Leicestershire completions data from 2011 to 2022 show the development of 9 dwellings, 4 of which were houseboats. As of April 2022, outstanding commitments total 10 dwellings, including 5 houseboats.
4. This Executive Summary details the conclusions of each chapter of the report, addressing the three research questions formulated at the outset of the research.
5. Data from the Census 2021 is being released at the local authority level throughout 2022. At present, only population and household data is available, with data on the dwelling stock expected by the end of the year. Data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.

Conclusions- Tenure and Affordability

Current dwelling stock

6. In 2011 a greater proportion of households in Lockington-Hemington owned their own home than was the case across North West Leicestershire and England. At this time there were no shared ownership dwellings in the NA and very few households living in socially rented dwellings, at just 5.9% compared to 17.7% across England. The private rented sector was slightly below national levels, but above those across the district. Completion data provided by North West Leicestershire District Council indicates that all development has been for market dwellings, decreasing the proportion of Affordable Housing since 2011.
7. Between 2012 and 2021, there was significant fluctuation in house prices in Lockington-Hemington, likely due to small sample sizes, with approximately 9 transactions a year. The median house price grew by 13.6% in this time, peaking in 2021 at £355,000. The lower quartile price peaked unusually in 2012 at £308,750, meaning there was an overall decline of 40.4% between 2012 and 2021. When looking at the lower quartile house price changes between 2013 and 2021, there was an increase of 26.9%. The 2021 lower

quartile price was £184,000. In addition, there were 6 transactions of 'other' dwellings at Hemington Park, assumed to be mobile homes, in the NA in the last decade, all selling for £4,000 in 2020.

8. Detached house prices grew by 41.0%, with terraced dwellings declining in price between 2012 and 2021. House prices in all dwelling types fluctuated quite significantly over the decade, with small sample sizes meaning factors such as the size of dwelling, location within the NA, and condition of the property have a greater noticeable influence on prices.

Affordability

9. Local households on average incomes are unable to access market homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most, with the median house price requiring an annual income nearly double the current average.
10. Private renting is generally only affordable to average earners. Households made up of two lower quartile earners may be able to just afford the given rental thresholds for entry-level market housing (2-bedrooms or fewer).
11. Looking at affordable home ownership, it is recommended First Homes are delivered at a 40% discount in Lockington-Hemington. Shared ownership at 25% and 10% equity appears to be slightly more affordable than First Homes, and extends accessibility slightly further. Rent to Buy may be helpful to those with little or no savings for a deposit. Affordable rented housing is generally affordable to households with two lower earners. However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units.

Houseboats

12. Lockington-Hemington includes Sawley Marina, meaning that there are a significant proportion of households living in houseboats as opposed to traditional brick dwellings. The median cost of houseboats in the NA in 2022 was £47,500, with peaks of £189,000 (Dutch barge) and £138,000 (narrowboat).
13. Although in theory this is significantly more affordable than entry level market housing, at £184,000, there are other factors to consider when looking at affordability which may not necessarily make houseboats a suitable replacement for affordable home ownership products. A key factor is the challenges in accessing a mortgage, with most high street lenders not providing mortgages for boats. Marine mortgages are available but often have less favourable terms than traditional mortgages. There are also a variety of additional costs such as mooring fees and continual maintenance.
14. Considering houseboats as a whole, these clearly provide an important role in the market in Lockington-Hemington, although may not be a suitable option for families. This means that the provision of houseboats should not necessarily limit the delivery of traditional housing in the NA if there is a demand, especially when looking at Affordable Housing.

Affordable Housing need

15. The starting point for understanding the need for affordable housing in Lockington-Hemington is the Leicester & Leicestershire Authorities and the Leicester and Leicestershire Enterprise Partnership HEDNA. Pro-rating the local authority level figures, this HNA estimates that Lockington-Hemington requires roughly 3.2 units of affordable rented housing and 13.0 units for affordable home ownership over the Plan period.
16. It is not expected that there will be any delivery of Affordable Housing in the NA during the plan period due to the indicative housing requirement of 1 dwelling. Even if more housing is delivered, it is likely this will come forward in the form of small infill developments, with schemes unlikely to be large enough to meet the threshold at which Affordable Housing policy applies.
17. Although there is not expected to be any Affordable Housing built in the near future, it is useful to set out the most appropriate balance of the different forms it could take in case delivery expectations change. AECOM's indicative mix suggests that 33% of Affordable Housing is delivered as affordable home ownership products, with the remaining 67% delivered as social/affordable rented dwellings. Within the affordable home ownership category, it is recommended that 25% of dwellings are delivered as First Homes, at a 40% discount. The remaining 8% should be delivered as shared ownership, with 25% and 10% equity shares appearing the most suitable based on local incomes.
18. The expected level of Affordable Housing delivery does not meet the need and demand identified in Lockington-Hemington. It is therefore recommended that the policy requirement be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites or community land trusts) to be explored. If the group considered exceeding the Local Plan policy requirement in the neighbourhood plan then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
19. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

Conclusions- Type and Size

20. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing

(such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

Current dwelling stock

21. The starting point for understanding the split in dwelling types in Lockington-Hemington is the 2011 Census. The greatest proportion of dwellings in the NA were not traditional brick dwellings at this time, but caravans/mobile homes/temporary structures (assumed to also include houseboats). Approximately 27.9% of dwellings were of this type, totalling 110 units. This is significantly above levels across North West Leicestershire and England, both of which have proportions of less than 1.0%. Overall, in 2011, Lockington-Hemington had 31.0% of North West Leicestershire's caravans/mobile homes/temporary structures. There was a greater proportion of detached dwellings in Lockington-Hemington than nationally, although a significantly smaller proportion than across the district, with the proportion of semi-detached dwellings well below both comparator areas. There were very few flats in the NA.
22. Looking to 2021, the picture is more complex than 2011 Census data as it is understood that houseboats are not included in VOA data because Sawley Marina pay council tax in one payment, as opposed to individual households being recorded. There was supposedly an increase in flats from 4.3% in 2011 to 17.9% in 2021. It is unclear why this is the case and it may be that some of the alternative structures (such as the mobile homes or houseboats) have been mistakenly counted within this category. There were fewer bungalows than across North West Leicestershire and a greater proportion of detached dwellings in the NA than nationally, but a significantly smaller proportion than North West Leicestershire as a whole. The 2011 type mix outlined in Table 5-1 is therefore considered to be a more accurate split of dwelling types than the VOA data presented in Table 5-2, especially due to there being few completions between 2011 and 2021.
23. Turning to dwelling size, this is more complex than the dwelling type category as there is no separation of the mobile homes and houseboats within the data. In 2011 the greatest proportion of dwellings were 3-bedroom, at 28.2% of all dwellings, although all dwelling sizes range from 22.3% and 28.2%, representing a relatively even split. The proportion of the smallest 1-bedroom dwellings is significantly higher than expected. This may be due to houseboat and mobile home data impacting the Census data when looking at 1-bedroom and 2-bedroom dwellings. Completion data shows that the majority of development in the last decade has been for 2-bedroom dwellings, with four of the five 2-bedroom dwellings delivered being houseboats.
24. Alternatively, VOA data shows that in 2011, the majority of dwellings were 3-bedroom, at 36.3%, followed by 2-bedroom, at 30.1%. There was a significantly smaller proportion of the smallest dwellings in the VOA data than the Census data. Between 2011 and 2021 there was very little change in the size mix, likely due to the low levels of development. It is considered that this size mix is a more accurate representation of the brick dwellings in Lockington-Hemington than the Census data.

Demographics

25. In 2011, the largest proportion of the population were aged 45-64, followed by those aged 25-44. Looking to 2020, the greatest proportion of the population remain aged 45-64, although to a greater extent than 2011, followed by those aged 65-84. The proportion of the youngest households fell, along with a significant decline in the proportion of individuals aged 25-44, perhaps indicative of a decline in families.
26. Population growth over the plan period is expected to be driven by the oldest households, with households with a household reference person aged 65 and over expected to grow by 70% between 2011 and 2031. This would mean that in 2031, households in this age category would account for 29.3% of households, compared to 22.6% in 2011.
27. In 2011 the proportion of the population aged 44 and under in Lockington-Hemington was below both district and national levels, most notably in the 16-24 age category. The proportion of individuals aged 45-64 in the NA was significantly above the proportion across both North West Leicestershire and England. There was a slightly smaller proportion of individuals in the oldest age category in the NA.
28. Under-occupancy is relatively common in Lockington-Hemington, with approximately two thirds of households living in a home with at least one extra bedroom compared to their household size. This is most common in family households aged 65+, at 83.4% under-occupancy. This indicates that larger dwellings in the NA may be occupied by older households that have been unable (or unwilling) to downsize into smaller dwellings, which would in turn free up mid-sized and larger dwellings for families.

Future size mix

29. AECOM modelling suggests that by 2031, the proportion of smaller 1-bedroom and 2-bedroom should be reduced, along with the proportion of the largest 5+ bedroom dwellings. It is recommended that there is a significant increase in mid-sized 3-bedroom dwellings and an increase in the proportion of 4-bedroom dwellings. In order to reach this mix it is suggested that the majority of dwellings are delivered as 3-bedroom, at 64.5% of delivery, with the remainder as larger dwellings.
30. It should be noted that this modelling takes into account housing overall, market and affordable. Households looking for Affordable Housing are likely to be in need of smaller dwellings, with the Housing Register indicating that there are two households in need of 1-bedroom dwellings, two households in need of 2-bedroom dwellings, and one household in need of a 3-bedroom dwelling.
31. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

Conclusions- Specialist Housing for Older People

32. There are currently 12 units of specialist accommodation for older persons in the NA, all available for social rent.
33. It is expected that during the plan period, 36 individuals will join the 75+ age group in Lockington-Hemington, which currently stands at 44 individuals in 2011. They are estimated to be formed in to 26 households.
34. 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.
35. These two methods of estimating the future need in Lockington-Hemington produce a range of 8 to 12 specialist accommodation units that might be required during the 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.
36. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-6, the majority of the need, at 75.0%, is identified for specialist market housing. Slightly more need is identified for sheltered housing at 2/3 compared to 1/3 extra-care. The greatest sub-category of need was identified for market sheltered housing at 50.0% of the total need. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
37. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).
38. Local Plan policy H6 (House types and mix) provides explicit encouragement for development to accommodate specific groups such as older people on developments of 50 or more dwellings. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)) on a smaller scale than this. The emerging Local Plan Development Strategy Options and Policy Options document indicates that the preferred option is that all new residential development would be required to meet at least Category M4(2), with at least 5% of new Affordable Housing meeting Category M4(3). Government is also considering mandating

M4(2) on newly erected dwellings¹, although changes to Building Regulations have not yet been made.

39. 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, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of Affordable Housing applicants in the district falling into this category.
40. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
 - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
41. 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).
42. It is considered that Lockington-Hemington's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Lockington-Hemington entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Lockington-Hemington, Castle Donington may be considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model), and is just 1 mile from the village of Hemington. If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself would not overlap.
43. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

¹ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes) (www.gov.uk)

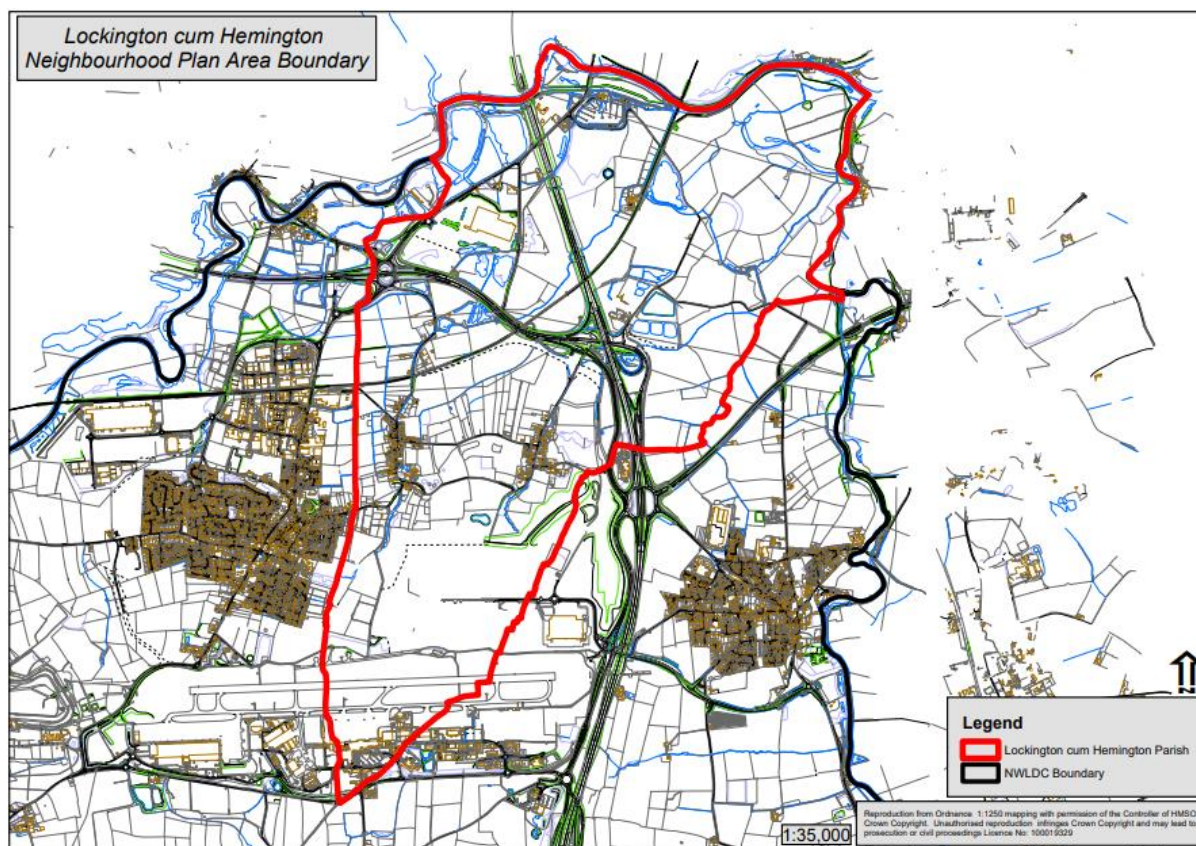
2. Context

Local context

44. Lockington-Hemington is a Neighbourhood Area located in North West Leicestershire, East Midlands. The Neighbourhood Area (NA) boundary aligns with the parish boundary and was designated in May 2021.
45. The proposed Neighbourhood Plan period starts in 2022 and extends to 2031, therefore comprising a planning period of 9 years. The evidence supplied in this report will look forward to the Plan end date of 2031, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
46. Lockington-Hemington NA is comprised of the two villages of Lockington and Hemington, located less than one mile apart. The villages are located approximately 10 miles south east of Derby and around 12 miles south west of Nottingham. The M1, which connects London and Leeds, and the A50 both run through the NA, with the River Trent running along the northern boundary of Lockington-Hemington.
47. There are few amenities in the NA, though there is a pub, church, and village hall. Part of the East Midlands Airport is located in the south of the NA, along with a number of distribution centres. Sawley Marina, located in the north of the parish, provides a large number of residential and leisure moorings.
48. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units called Output Areas (OAs). These make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The Plan area equates to the following OAs, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses:
 - OA E00131580; and
 - OA E00131581.
 - In 2001 these were referred to as OA 31UHGF0021 and OA 31UHGF0022.
49. The statistics show that in the 2011 Census the NA had a total of 838 residents, formed into 376 households and occupying 394 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Lockington-Hemington is 883 – indicating population growth of around 45 individuals since 2011. It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.
50. Completion data provided by North West Leicestershire District Council indicates that since the 2011 Census there have been 9 dwellings completed, 4 of which were houseboats. All of these were market dwellings.

51. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Lockington-Hemington Neighbourhood Area²



Source: North West Leicestershire District Council

The Housing Market Area Context

52. Whilst this HNA focuses on Lockington-Hemington neighbourhood area it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas. In the case of Lockington-Hemington, the NA sits within the Leicester and Leicestershire housing market area which covers Leicester, Blaby, Charnwood, Harborough, Hinckley & Bosworth, Melton, North West Leicestershire, and Oadby & Wigston. This means that when households who live in these authorities move home or choose a place of employment, the vast majority tend to do so within this geography. The housing market area also has links to other neighbouring areas however: North West Leicestershire has close links with South Derbyshire, Melton has close links with areas of Nottinghamshire, and Hinckley & Bosworth has relationships with parts of Warwickshire.

53. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Lockington-Hemington are closely linked to

² Available at https://www.nwleics.gov.uk/files/documents/lockington_cum_hemington_neighbourhood_plan_area_map/Lockington%20cum%20Hemington%20Neighbourhood%20Plan%20Area%20Map.pdf

other areas. In the case of Lockington-Hemington changes in need or demand in settlements nearby is likely to impact on the neighbourhood. For example, there is expected to be significant growth in nearby Castle Donington, which may have an impact on housing needs in the NA (e.g. it may be able to meet some of Lockington-Hemington's need).

54. In summary, Lockington-Hemington functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (North West Leicestershire), 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.

Planning policy context

55. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies³. In the case of Lockington-Hemington, the relevant adopted Local Plan for North West Leicestershire consists of the North West Leicestershire Local Plan⁴, covering the period 2011-2031. This was initially adopted in November 2017, with a partial review starting in February 2018. The North West Leicestershire Local Plan (as amended by the partial review) was adopted in March 2021.

56. The Local Plan is currently undergoing a substantive review to take account of the newest NPPF. The Development Strategy Options and Policy Options consultation took place between January and March 2022. This document describes a number of key issues that the Local Plan will address, including:

- It is proposed that Small Villages (which Lockington and Hemington fall under in the adopted Local Plan) will be renamed as 'Local Housing Needs Villages', with development restricted to those that meet the needs of somebody with a demonstratable local connection to the settlement concerned.
- The preferred option that all new residential developments would be required to meet at least M4(2) (accessible and adaptable) standards. In addition, the requirement that 5% of all new dwellings of the affordable housing requirement will meet M4(3) (wheelchair user dwellings) standards.

57. It is expected that draft policies will be consulted on in Autumn 2022, with the Publication Local Plan (Regulation 19) in June 2023.

³ 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>

⁴ Available here: https://www.nwleics.gov.uk/files/documents/north_west_leicestershire_local_plan_as_amended_by_the_partial_review1/Adopted%20Writt en%20Statement%202021%20-%20public%20copy%20%284%29.pdf

Policies in the adopted local plan

58. Table 2-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Lockington-Hemington.

Table 2-1: Summary of relevant adopted policies in the North West Leicestershire Local Plan (as amended by partial review)

Policy	Provisions
S1: Future housing and economic development needs	Over the plan period to 2031, provision will be made for the development of a minimum of 9,620 dwellings (481 per annum).
S2: Settlement Hierarchy	<p>The following Settlement Hierarchy will be used when assessing the suitability of a settlement for new development:</p> <ul style="list-style-type: none"> • Principal Town (Coalville Urban Area); • Key Service Centre; • Local Service Centre; • Sustainable Villages; • Small Villages (including Lockington and Hemington); and • Hamlets <p>Small villages, including both Lockington and Hemington, have very limited services. Development will be restricted to the conversions of existing buildings or the redevelopment of previously developed land or Affordable Housing in accordance with Policy H5.</p>
H4: Affordable Housing	<p>To support the provision of mixed, sustainable communities, the Council will seek the provision of Affordable Housing on new housing developments.</p> <p>On greenfield sites, the Affordable Housing contribution for Lockington-Hemington is 30% on sites of 11 or more dwellings. On previously developed land, the requirement is 5% Affordable Housing on sites of 30 or more dwellings.</p> <p>The Council's preference is for on-site Affordable Housing provision which should include a mix of types and tenure that reflect the type and nature of any need at the time that the application is determined.</p> <p>The Council will encourage the provision of affordable homes to meet the needs of elderly people. Where bungalow provision is made the Council will consider reducing the overall level of Affordable Housing contribution, having regard to the type and size of other Affordable Housing provided across the site.</p>

Policy	Provisions
H5: Rural Exception Sites for Affordable Housing	<p>The provision of Affordable Housing outside of the Limits to Development will be allowed as an exception where:</p> <ul style="list-style-type: none">a) The housing is demonstrated to meet an identified local need for Affordable Housing, andb) The development is well-related to and respects the character and scale of the settlement and its landscape setting; andc) The development allows accessibility to community services and facilities within it, where appropriate. <p>Planning obligations will be sought to ensure that all initial and subsequent occupiers of the affordable dwellings will be local people in housing need, and benefit from the Affordable Housing in perpetuity.</p> <p>Further detail is outlined in Policy H5.</p>
H6: House types and mix	<p>The Council will seek a mix of housing type, size, and tenure in new housing developments of 10 or more dwellings, in order to meet the identified needs of the whole community.</p> <p>Developments of 50 or more dwellings will provide:</p> <ul style="list-style-type: none">a) A proportion of dwellings that are suitable for occupation by the elderly, including bungalows; andb) A proportion of dwellings which are suitable for occupation or easily adaptable for people with disabilities in accordance with Part M4(2) of the Building Regulations.

Source: North West Leicestershire District Council

Quantity of housing to provide

59. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood planning groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

60. North West Leicestershire Council has fulfilled that requirement by providing Lockington-Hemington with a document outlining the potential indicative housing requirement for the NA⁵ over the plan period. This estimates that based on housing need from the adopted Local Plan, there is a residual requirement of 1 dwelling as at April 2022 (with an additional 1 dwelling under construction). The document also provides an estimate based on the emerging Local Plan, giving an indicative requirement of 8 dwellings as at April 2022. However, the adopted Local Plan looks to 2031, as does the Neighbourhood Plan, whilst the emerging Local Plan looks further to 2040 and so the figure of 1 is used

⁵ Document provided by Neighbourhood Plan consultant, October 2022.

in this Housing Needs Assessment. If development was based on previous rates (0.45 per annum 2011-2022), then a further 3 dwellings would be expected to be developed.

3. Approach

Research Questions

61. The following research questions were formulated at the outset of the research through discussion with the Lockington-Hemington Neighbourhood Plan Advisory Committee. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

62. The Advisory Committee would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.
63. This evidence will allow Lockington-Hemington to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.

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

Type and Size

64. The Advisory Committee is seeking to determine what size and type of housing would be best suited to the local community. A key concern of the Advisory Committee is the provision of housing for those unable to afford to remain in the NA.
65. The aim of this research question is to provide the Advisory Committee with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.
66. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends.
67. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

Specialist Housing for Older People

68. This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care.

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

Relevant Data

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

- Census 2011 and Census 2021 (the latter only available at the local authority level at present)
- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information at the neighbourhood level;
- 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
- Leicester & Leicestershire Authorities and the Leicester and Leicestershire Enterprise Partnership Housing & Economic Development Needs Assessment (HEDNA), January 2017⁶.

70. Data from the Census 2021 is being released at the local authority level throughout 2022. At present, only population and household data is available, with data on the dwelling stock expected by the end of the year. Data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.

⁶ Available at: [General Report Template \(nwleics.gov.uk\)](https://www.nwleics.gov.uk/General-Report-Template)

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

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

Introduction

71. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
72. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
73. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. The NPPF defines Affordable Housing as *'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'*⁷. The full document further outlines the tenures included in this definition. Those outlined in Table 4-1 would fall under this NPPF definition of Affordable Housing.

⁷ Available here -

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf

Table 4-1: Breakdown of Affordable Housing tenures

Tenure	Rent/Ownership	Brief Description
Social Rent	Rent	<p>This tenure is owned by local authorities (what used to be called Council housing) and private registered providers (also known as housing associations).</p> <p>Guideline target rents are determined through the national rent regime and are typically the lowest-cost form of housing available.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Affordable Rent	Rent	<p>This is similar to Social Rent (above). Affordable Rent is not subject to the national rent regime but must have a rent of no more than 80% of the local market.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Rent to Buy	Combination	<p>Rent to Buy is a relatively uncommon tenure. Subsidy allows the occupant to save a portion of their rent to be used to build up a deposit to eventually purchase the home.</p>
Shared Ownership	Ownership	<p>An affordable home ownership product where a purchaser buys part (generally between 25% and 75%, but can be as little at 10%) of the value of the property. The remaining (un-owned part) is rented from a housing association or local authority.</p> <p>This Generally applies to new build properties, but re-sales occasionally become available.</p>
First Homes	Ownership	<p>First Homes are an affordable home ownership product introduced in 2021. Discounts on the market price can be set at 30%, 40%, or 50%.</p> <p>New developments will be required to provide 25% of the Affordable Housing as First Homes. This product is discussed in more detail in the commentary following this table.</p>

74. As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021.⁸ Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:

⁸ 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>.

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

Current tenure profile

75. 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.
76. Table 4-2 presents data on tenure in Lockington-Hemington compared with North West Leicestershire and England from the 2011 Census, which is the most recent available source of this information. It shows that a greater proportion of households in Lockington-Hemington owned their own home, at 77.9% of households, compared to 72.5% of households across North West Leicestershire, and 63.3% nationally. At the time of the Census there were no shared ownership dwellings and very few households living in socially rented dwellings, at just 5.9% compared to 17.7% across England. The private rented sector was slightly below national levels, but above those across the district.
77. Completion data provided by North West Leicestershire District Council indicates that all development has been for market dwellings, decreasing the proportion of Affordable Housing since 2011.

78. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Lockington-Hemington the private rented sector expanded by 96.4% in that period, a rate of growth that exceeded the national growth of 82.4%. The private rented sector in North West Leicestershire expanded particularly rapidly in this time, by 164.6%.
79. Another key change between 2001 and 2011 was the growth in the proportion of households owning their own home, at 62.8% growth in this time in Lockington-Hemington compared to just 5.3% across the district and a decline of 0.6% nationally.

Table 4-2: Tenure (households) in Lockington-Hemington, 2011

Tenure	Lockington-Hemington	North West Leicestershire	England
Owned	77.9%	72.5%	63.3%
Shared ownership	0.0%	0.8%	0.8%
Social rented	5.9%	14.3%	17.7%
Private rented	14.6%	11.3%	16.8%

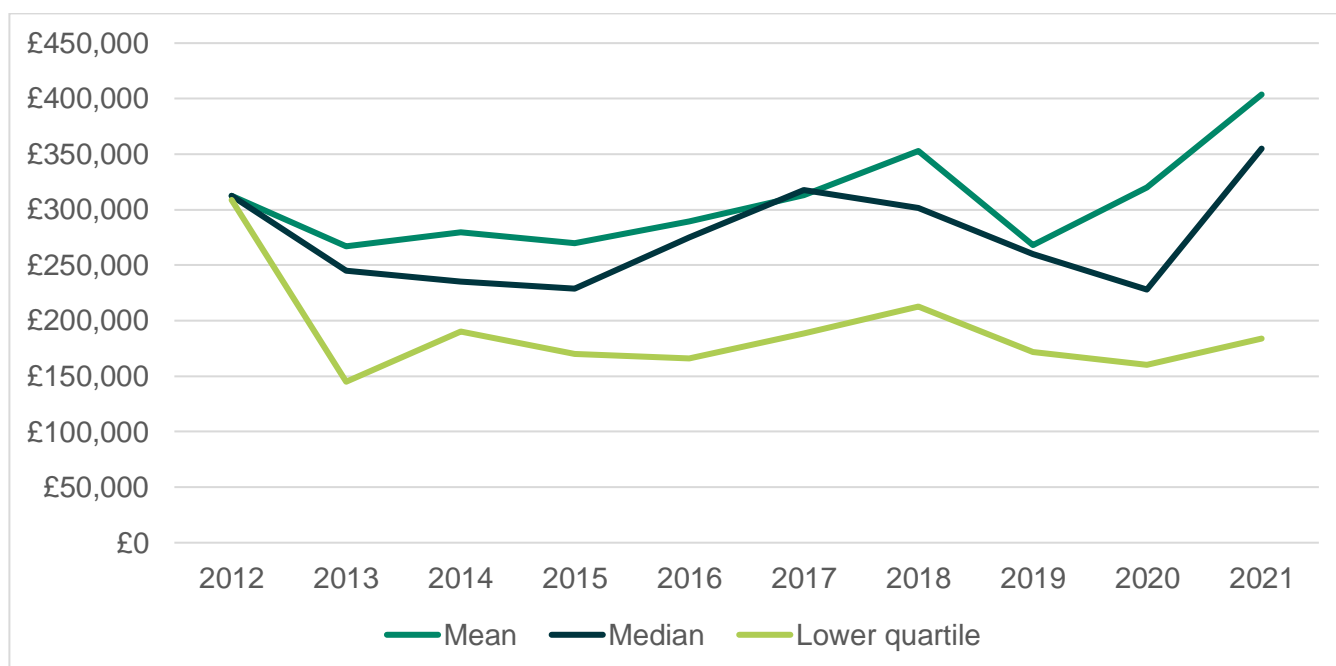
Sources: Census 2011, AECOM Calculations

Affordability

House prices

80. 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.
81. Figure 4-1 looks at the average and lower quartile house prices in Lockington-Hemington based on sales price data published by the Land Registry. It shows that between 2012 and 2021, there was significant fluctuation in house prices in Lockington-Hemington, likely due to small sample sizes, with approximately 9 transactions a year. The median house price grew by 13.6% in this time, peaking in 2021 at £355,000 after a decline in 2020. The lower quartile price peaked unusually in 2012 at £308,750, likely due to only two transactions taking place in 2012, both for similar priced dwellings. Due to this, there is an overall apparent decline of 40.4% in lower quartile house prices. When looking at the lower quartile house price changes between 2013 and 2021, there was an increase of 26.9%. The 2021 lower quartile price was £184,000.

Figure 4-1: House prices by quartile in Lockington-Hemington, 2012-2021



Source: Land Registry PPD

82. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that detached house prices grew by 41.0%, with terraced dwellings declining in price between 2012 and 2021. The latter is in part due to the terraced dwelling price peaking in 2012 at £320,000. House prices in all dwelling types fluctuate quite significantly over the decade. This is likely due to small sample sizes, common to rural parishes, meaning factors such as the size of dwelling, location within the NA, and condition of the property have a greater influence on prices.

Table 4-3: Median house prices by type in Lockington-Hemington, 2012-2021

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£305,000	£270,000	£161,658	£370,000	£460,000	£470,000	£515,000	£300,000	£602,500	£430,000	41.0%
Semi-detached	-	-	£412,975	£169,500	£256,750	£277,500	£225,000	£175,000	£228,000	£442,500	-
Terraced	£320,000	£185,000	£227,000	£247,500	£217,700	£212,500	£243,000	£291,000	£160,000	£170,000	-46.9%
Flats	-	-	-	£235,000	-	£94,000	£156,000	-	£90,000	-	-
All Types	£312,500	£245,000	£235,000	£229,000	£275,000	£317,500	£301,500	£260,000	£228,000	£355,000	13.6%

Source: Land Registry PPD

83. In addition to the dwellings noted above, there were 6 transactions of 'other' dwellings which are assumed to be mobile homes in the NA in the last decade, all selling for £4,000 in 2020. These took place at Hemington Park, noted locally as having a number of static homes and lodges, with no brick build residences on site. It is also noted that there are a large number of houseboats in Lockington-Hemington. However, these are not recorded in Land Registry transactions and are explored further in Table 4-6.

Income

84. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
85. 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 £46,400 in 2018. A map of the area to which this data applies is provided in Appendix A.
86. 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. North West Leicestershire's gross individual lower quartile annual earnings were £14,479 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £28,958.
87. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

88. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
89. AECOM has determined thresholds for the income required in Lockington-Hemington to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
90. 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.
91. The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.

92. The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
93. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter the picture of affordability that emerges here. This is another reason to interpret the findings with a degree of flexibility.
94. 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.
95. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £46,400	Affordable on LQ earnings (single earner)? £14,479	Affordable on LQ earnings (2 earners)? £28,958
Market Housing						
Median House Price	£319,500	-	£91,286	No	No	No
Estimated NA New Build Entry-Level House Price	£210,825		£60,236	No	No	No
LQ/Entry-level House Price	£165,600	-	£47,314	Marginal	No	No
LA New Build Median House Price	£266,396	-	£76,113	No	No	No
Average Market Rent	-	£10,230	£34,100	Yes	No	No
Entry-level Market Rent	-	£8,940	£29,800	Yes	No	Marginal
Affordable Home Ownership						
First Homes (-30%)	£147,577	-	£42,165	Yes	No	No
First Homes (-40%)	£126,495	-	£36,141	Yes	No	No
First Homes (-50%)	£105,412	-	£30,118	Yes	No	Marginal
Shared Ownership (50%)	£105,412	£2,928	£39,878	Yes	No	No
Shared Ownership (25%)	£52,706	£4,392	£29,700	Yes	No	Marginal
Shared Ownership (10%)	£21,082	£5,271	£23,592	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£5,106	£17,004	Yes	No	Yes
Social Rent	-	£4,816	£16,038	Yes	No	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

97. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access market homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. Entry-level market housing may be marginally accessible to households on mean incomes. The median house price would require an annual income around double the current average.

98. Private renting is generally only affordable to average earners. Households made up of two lower quartile earners may be able to just afford the given rental thresholds for entry-level market housing (2-bedrooms or fewer). 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

99. There is a relatively large group of households in Lockington-Hemington who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £29,800 per year (at which point entry-level rents become affordable) and £47,314 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.

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

101. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It is recommended that in Lockington-Hemington, First Homes are delivered at a 40% discount. This makes the product comfortably affordable to households on mean incomes. Although a 50% discount would make First Homes marginally affordable to households with two lower quartile earners, this would likely create challenges with viability, explored further in the Appendix.

102. Table 4-5 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA, as outlined in the Appendix. It is also worth considering

the discounts required for some additional price benchmarks. The table above uses the calculated NA new build entry-level house price as the best estimate for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

Table 4-5: Discount on sale price required for households to afford First Homes

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA Median House Price	49%	84%	68%
NA Estimated New Build Entry-Level House Price	23%	76%	52%
NA Entry-Level House Price	2%	69%	39%
LA Median New Build House Price	39%	81%	62%

Source: Land Registry PPD; ONS MSOA total household income

103. Shared ownership at 25% and 10% equity appears to be slightly more affordable than First Homes and extends accessibility slightly further. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.⁹ If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
104. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
105. The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford market rents. On that basis, First Homes (at 30% and 40% discount) is a less affordable option, with shared ownership at 25% and 10% equity more affordable.
106. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.

⁹ 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/hws48>.

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

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

Affordable rented housing

108. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). Although households with a single lower earner are not broadly able to afford social rented dwellings in the NA, they may just be able to afford the smallest 1-bedroom socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.
109. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Lockington-Hemington as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Houseboats

110. The NA of Lockington-Hemington includes Sawley Marina, meaning that there are a significant proportion of households living in houseboats as opposed to traditional brick

dwellings. As of 2017, there were 186 residential moorings in Sawley Marina¹⁰, with at least an additional 21 approved since then. It is therefore estimated that there are over 200 residential moorings currently although the exact number is unknown.

111. The most common forms of houseboat are narrowboats and Dutch barges, the most suitable types for permanent residence. Table 4-6 shows the prices of the 15 houseboats for sale in Sawley Marina in October 2022, with a median cost of £47,500, and a higher mean of £58,590. It is worth noting that prices reach up to £189,000 for a Dutch barge and £138,000 for a narrowboat in the NA.

Table 4-6: Sawley Waterside & Marina houseboat prices, 2022

Boat Type	Price	Length	Width
Dutch Barge	£189,000	63ft	13ft
Narrowboat	£138,000	61ft	6ft 10in
Dutch Barge	£63,000	57ft	6ft 10in
Narrowboat	£62,000	58ft	6ft 10in
Dutch Barge	£58,000	40ft	11ft 6in
Narrowboat	£49,950	56ft	6ft 10in
Narrowboat	£47,500	50ft	6ft 10in
Narrowboat	£47,500	50ft	6ft 10in
Narrowboat	£42,000	50ft	6ft 10in
Narrowboat	£37,500	40ft	6ft 10in
Narrowboat	£37,000	50ft	6ft 10in
Narrowboat	£33,950	52ft	6ft 10in
Narrowboat	£32,950	35ft	6ft 10in
Narrowboat	£22,000	40ft	6ft 10in
Narrowboat	£18,500	30ft	6ft 10in

Source: AquaVista

112. Looking at affordability based solely on the price of the boats, the median price of a houseboat in Sawley Marina is £47,500. Although in theory this is significantly more affordable than entry level market housing, at £184,000, there are other factors to consider when looking at affordability which may not necessarily make houseboats a suitable replacement for affordable home ownership products (other than lifestyle reasons). A key factor is the challenges in accessing a mortgage, with most high street lenders not providing mortgages for boats, meaning that sometimes the entire payment needs to be made upfront. Marine mortgages are available but often have less favourable terms than traditional mortgages, including 25% deposit, shorter repayment

¹⁰ Planning permission granted in 2013 on change of use of 120 moorings from leisure to residential. A further 66 were then permitted.

terms, and higher interest rates. Zoopla¹¹ explores the other additional costs related to living on houseboats, including:

- Boat surveys, needed when buying second hand boats (c.£350 - £400);
- Repairs and maintenance;
- Boat safety certificate (c.£150);
- Boat licence (c.£510 - £1,100 per annum);
- Insurance (at least £200 per annum);
- Hull blacking and painting (c.£850 every 3-5 years); and
- Mooring fees (vary significantly between c.£2,000 and £18,000 per annum).

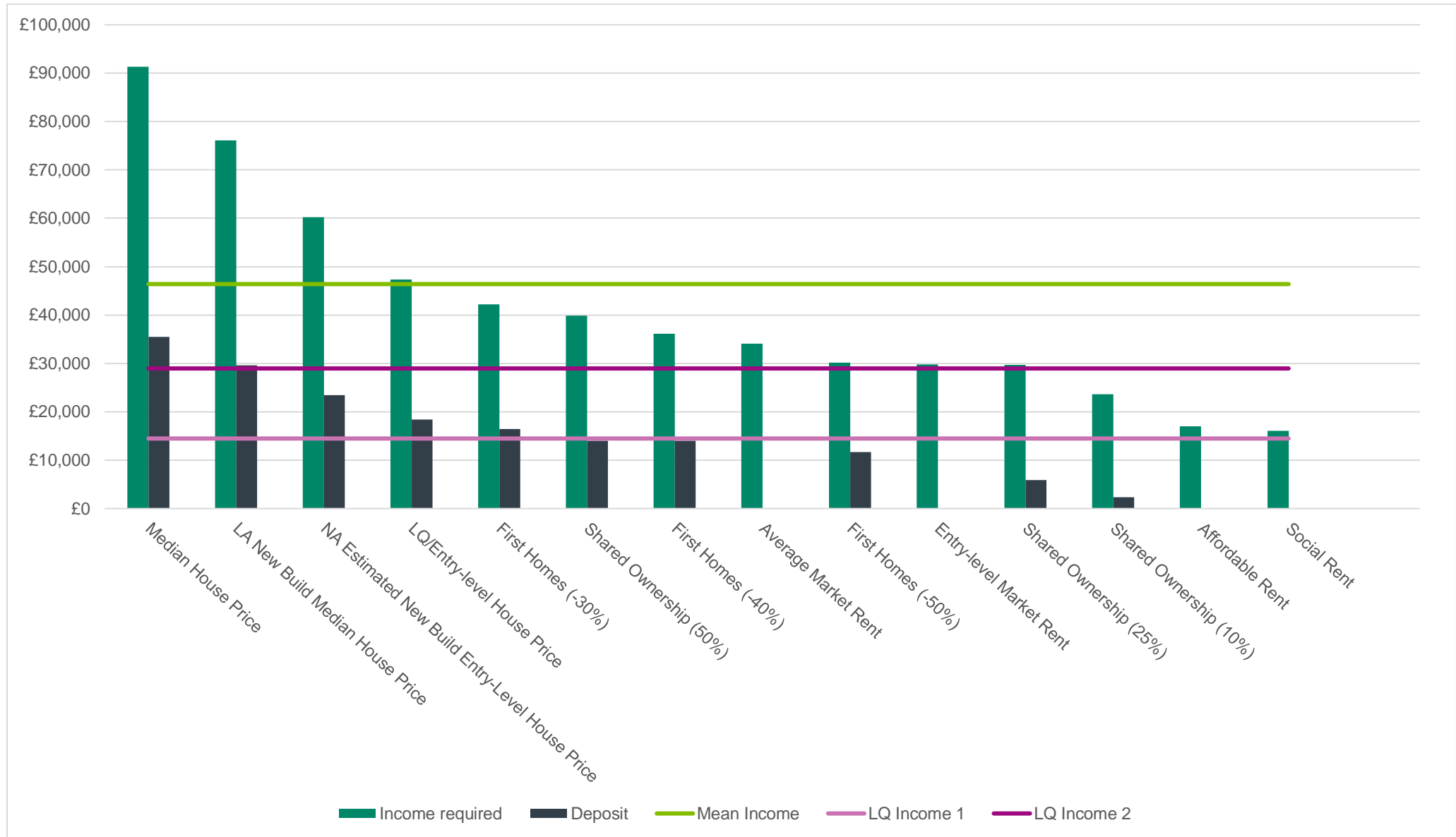
113. As seen above, mooring fees can be some of the most expensive costs relating to living on a houseboat. These can vary significantly based on the length of the boat and geographic location, with the highest prices in London and the South East¹², corresponding to areas with high land values. The level of services available at a mooring will also have an impact on mooring prices.

114. Considering houseboats as a whole, these clearly provide an important role in the market in Lockington-Hemington, although may not be a suitable option for all families. This means that the provision of houseboats should not necessarily limit the delivery of traditional housing in the NA if there is a demand, especially when looking at Affordable Housing.

¹¹ <https://www.zoopla.co.uk/discover/buying/living-on-a-house-boat/>

¹² <https://canalrivertrust.org.uk/enjoy-the-waterways/boating/moorings/long-term-boat-moorings>

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



Source: AECOM Calculations

Affordable housing- quantity needed

115. The starting point for understanding the need for affordable housing in Lockington-Hemington is the relevant Housing & Economic Development Needs Assessment (HEDNA). A HEDNA was undertaken for Leicester & Leicestershire Authorities and the Leicester and Leicestershire Enterprise Partnership in 2017. This study estimates the need for affordable housing in the district based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time
116. The HEDNA identifies the need for 199 additional affordable homes each year (between 2011 and 2031) in North West Leicestershire as a whole. The analysis suggests that around 20% of housing should be of an intermediate tenure (aka. affordable home ownership dwellings (e.g. shared ownership, First Homes, Rent to Buy)), with the remaining 80% for social or affordable rented housing.
117. When the HEDNA figures are pro-rated to Lockington-Hemington based on its fair share of the population (0.90% of the LPA's population based on 2011 Census), this equates to 1.8 homes per annum or 16.2 homes over the Neighbourhood Plan period 2011-2031. Based on the split of 20% affordable home ownership and 80% social/affordable, this suggests a need for 3.2 affordable home ownership dwellings over the plan period and 13.0 dwellings for social/affordable rent in the same time period in the NA.
118. It is also worth noting that information provided by North West Leicestershire District Council indicates that there are currently 5 households on the Housing Register indicating that they would most like to live in Lockington-Hemington.
119. 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).
120. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable Housing policy guidance

121. North West Leicestershire's adopted policy on this subject, Policy H4 (Affordable Housing) requires 30% of all new housing to be affordable on greenfield sites of 11 or more dwellings, or 5% on brownfield sites of 30 or more dwellings. Due to the location of the NA, it is likely that development will take place on greenfield sites and therefore this Affordable Housing requirement is assumed for this report. Given that there has been no Affordable Housing delivery in Lockington-Hemington in the last decade according to North West

Leicestershire completions figures, it is understood that sites are usually too small for Affordable Housing policy to be applicable in the NA.

122. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.
123. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is not specified in the adopted Local Plan. This HNA can supply localised evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Lockington-Hemington specifically.
124. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:

- A. **Evidence of need for Affordable Housing:** Based on the HEDNA, this study estimates that Lockington-Hemington requires roughly 13.0 units of affordable rented housing and 3.2 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.

The relationship between these figures suggests that 80% of Affordable Housing should be rented and 20% should offer a route to ownership. However, as noted above, these figures are 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.

If the quantity of new housing overall were unlimited, 80% to 20% may be an appropriate affordable tenure mix. However, meeting the potential need in full is not likely and also not strictly necessary.

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

It is not expected that there will be any delivery of Affordable Housing in the NA during the plan period due to the indicative housing requirement of 1 dwelling. Even if more housing is delivered, such as the 8 proposed dwellings outlined by the Advisory Committee, it is likely these will come forward in the form of small infill developments, with schemes unlikely to be large enough to meet the threshold of 11 dwellings on greenfield sites, above which the Affordable Housing policy applies. This means the likely scale of delivery is not sufficient to satisfy the total potential demand for Affordable Housing identified here.

As a result, affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority.

- C. **Government policy (e.g. NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in North West Leicestershire, where 30% of all housing should be affordable, 1/3 of Affordable Housing should be for affordable ownership.

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

- D. **Local Plan policy:** As noted above, the adopted Local Plan does not seek a specific tenure split for Affordable Housing.

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

This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This is not an issue in North West Leicestershire due to the adopted Local Plan not outlining a tenure split.

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

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

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

- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability

issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.

- G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Lockington-Hemington:** Completion data provided by North West Leicestershire District Council indicates that development in the NA since 2011 has all been for market housing. Therefore, it is assumed that the number of affordable dwellings in the NA remains the same as at the time of the 2011 Census (although there may have been a reduction in stock due to Right to Buy, Right to Acquire, or demolitions), with 22 social rented dwellings and no dwellings for affordable home ownership. This suggests that some provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.
- I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
- J. **Wider policy objectives:** the neighbourhood planning group may wish to take account of broader policy objectives for Lockington-Hemington 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.

125. On the basis of the considerations above, Table 4-7 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

126. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here. In this context, affordable rented tenures should be prioritised. However, there is also no current stock of affordable home ownership dwellings in Lockington-Hemington. This mix also complies with the various minimum requirements mandated nationally. It is recommended that 33% of Affordable Housing is delivered as affordable home ownership products, with the remaining 67% delivered as social/affordable rented dwellings.

127. Within the affordable home ownership category, it is recommended that 25% of dwellings are delivered as First Homes, in line with national policy. It is suggested that these are delivered at a 40% discount, making them affordable

to households on mean incomes. The remaining 8% should be delivered as shared ownership, flexibly between 25% and 10% equity, making the product affordable to households with two lower quartile earners. Rent to Buy does not feature in this mix because it is less affordable than shared ownership at the lower equity levels.

128. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
129. Where the Advisory Committee 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 North West Leicestershire District Council to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
130. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

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

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	33%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	8%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	0%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	67%	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current dwelling stock

131. In 2011 a greater proportion of households in Lockington-Hemington owned their own home than was the case across North West Leicestershire and England. At this time there were no shared ownership dwellings in the NA and very few households living in socially rented dwellings, at just 5.9% compared to 17.7% across England. The private rented sector was slightly below national levels, but above those across the district. Completion data provided by North West Leicestershire District Council indicates that all development has been for market dwellings, decreasing the proportion of Affordable Housing since 2011.
132. Between 2012 and 2021, there was significant fluctuation in house prices in Lockington-Hemington, likely due to small sample sizes, with approximately 9 transactions a year. The median house price grew by 13.6% in this time, peaking in 2021 at £355,000. The lower quartile price peaked unusually in 2012 at £308,750, meaning there was an overall decline of 40.4% between 2012 and

2021. When looking at the lower quartile house price changes between 2013 and 2021, there was an increase of 26.9%. The 2021 lower quartile price was £184,000. In addition, there were 6 transactions of 'other' dwellings, assumed to be mobile homes, at Hemington Park in the NA in the last decade, all selling for £4,000 in 2020.

133. Detached house prices grew by 41.0%, with terraced dwellings declining in price between 2012 and 2021. House prices in all dwelling types fluctuated quite significantly over the decade, with small sample sizes meaning factors such as the size of dwelling, location within the NA, and condition of the property have a greater noticeable influence on prices.

Affordability

134. Local households on average incomes are unable to access market homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most, with the median house price requiring an annual income nearly double the current average.
135. Private renting is generally only affordable to average earners. Households made up of two lower quartile earners may be able to just afford the given rental thresholds for entry-level market housing (2-bedrooms or fewer).
136. Looking at affordable home ownership, it is recommended First Homes are delivered at a 40% discount in Lockington-Hemington. Shared ownership at 25% and 10% equity appears to be slightly more affordable than First Homes, and extends accessibility slightly further. Rent to Buy may be helpful to those with little or no savings for a deposit. Affordable rented housing is generally affordable to households with two lower earners. However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units.

Houseboats

137. Lockington-Hemington includes Sawley Marina, meaning that there are a significant proportion of households living in houseboats as opposed to traditional brick dwellings. The median cost of houseboats in the NA in 2022 was £47,500, with peaks of 189,000 (Dutch barge) and £138,000 (narrowboat).
138. Although in theory this is significantly more affordable than entry level market housing, at £184,000, there are other factors to consider when looking at affordability which may not necessarily make houseboats a suitable replacement for affordable home ownership products. A key factor is the challenges in accessing a mortgage, with most high street lenders not providing mortgages for boats. Marine mortgages are available but often have less favourable terms than traditional mortgages. There are also a variety of additional costs such as mooring fees and continual maintenance.
139. Considering houseboats as a whole, these clearly provide an important role in the market in Lockington-Hemington, although may not be a suitable option for families. This means that the provision of houseboats should not necessarily limit

the delivery of traditional housing in the NA if there is a demand, especially when looking at Affordable Housing.

Affordable Housing need

140. The starting point for understanding the need for affordable housing in Lockington-Hemington is the Leicester & Leicestershire Authorities and the Leicester and Leicestershire Enterprise Partnership HEDNA. Pro-rating the local authority level figures, this HNA estimates that Lockington-Hemington requires roughly 3.2 units of affordable rented housing and 13.0 units for affordable home ownership over the Plan period.
141. It is not expected that there will be any delivery of Affordable Housing in the NA during the plan period due to the indicative housing requirement of 1 dwelling. Even if more housing is delivered, it is likely this will come forward in the form of small infill developments, with schemes unlikely to be large enough to meet the threshold at which Affordable Housing policy applies.
142. Although there is not expected to be any Affordable Housing built in the near future, it is useful to set out the most appropriate balance of the different forms it could take in case delivery expectations change. AECOM's indicative mix suggests that 33% of Affordable Housing is delivered as affordable home ownership products, with the remaining 67% delivered as social/affordable rented dwellings. Within the affordable home ownership category, it is recommended that 25% of dwellings are delivered as First Homes, at a 40% discount. The remaining 8% should be delivered as shared ownership, with 25% and 10% equity shares appearing the most suitable based on local incomes.
143. Table 4-8 summarises Lockington-Hemington's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group 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 4-8: Estimated delivery of Affordable Housing in Lockington-Hemington

	Step in Estimation	Expected delivery
A	Provisional capacity figure	1
B	Affordable housing quota (%) in LPA's Local Plan	30%
C	Potential total Affordable Housing in NA (A x B)	0.3
D	Rented % (e.g. social/ affordable rented)	66%
E	Rented number (C x D)	0.2
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	33%
G	Affordable home ownership number (C x F)	0.1

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

144. The expected level of delivery clearly does not meet the need and demand identified in Lockington-Hemington. It is therefore recommended that the policy requirement be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites or community land trusts) to be explored. If the group considered exceeding the Local Plan policy requirement in the neighbourhood plan then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
145. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

5. RQ 2: Type and Size

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

Introduction

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

Existing types and sizes

Background and definitions

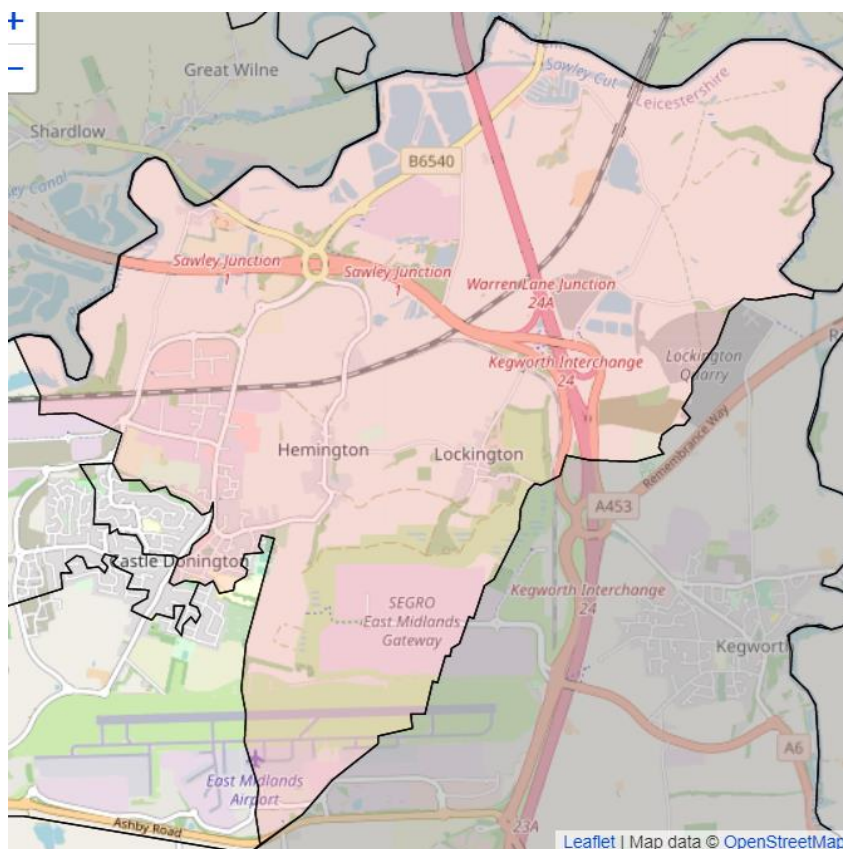
148. Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those having more buying power choosing to occupy larger homes, and often preferring detached properties to denser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

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

152. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. This is further complicated by the large number of houseboats in the NA, with different data sources counting these in different ways. It is therefore not possible to be precise in this section regarding the type and size of dwellings but the most appropriate datasets and assumptions have been outlined below.

153. It is worth noting that when Valuation Office Agency (VOA) data is used, the smallest area that this data is available is LSOA level. This means that the data covers a slightly wider area than the NA, as shown in Figure 5-1, but could be used as a reasonable proxy for the area.

Figure 5-1: Proxy area for NA using VOA data



Source: ONS

Dwelling type

154. The starting point for understanding the split in dwelling types in Lockington-Hemington is the 2011 Census. Table 5-1 shows the dwelling types at this time in the NA compared to the wider district and the country. It notably shows that

the greatest proportion of dwellings in the NA were not traditional brick dwellings at this time, but caravans/mobile homes/temporary structures, which is assumed to also include houseboats. Approximately 27.9% of dwellings were of this type, totalling 110 units. This is significantly above levels across North West Leicestershire and England, both of which have proportions of less than 1.0%. Overall, in 2011, Lockington-Hemington had 31.0% of North West Leicestershire’s caravans/mobile homes/temporary structures despite being a small parish.

155. Looking at the other dwelling types in the NA, there was a greater proportion of detached dwellings in Lockington-Hemington (25.4%) than nationally (22.3%), although a significantly smaller proportion than across the district (38.8%). The proportion of semi-detached dwellings was well below both comparator areas, perhaps indicating a lack of smaller/mid-sized dwellings suitable for families. There were very few flats in the NA, not unusual for small NAs such as Lockington-Hemington.

156. As the Advisory Committee are interested in the stock of traditional brick dwellings, it is also helpful to look at the split between these dwelling types once the caravan / mobile / temporary structure dwellings have been removed from the mix. In 2011 this would mean that the greatest proportion of dwellings were detached, at 35.2% of the brick stock, followed by 31.3% semi-detached dwellings. There was also a significant stock of terraced dwellings at 27.5%, with few flats, at just 6.0% of the stock.

157. It is worth noting that 2011 Census data counts bungalows within each of the other categories (generally detached and semi-detached) as opposed to independently. The 2021 VOA data outlined in Table 5-2 counts bungalows in a separate category, so the apparent decline between 2011 and 2021 in the proportion of detached and semi-detached dwellings is a consequence of this difference in categorisation rather than an actual loss of dwellings.

Table 5-1: Accommodation type, various geographies, 2011

Dwelling type	Lockington-Hemington	North West Leicestershire	England
Bungalow	-	-	-
Flat	4.3%	7.0%	22.2%
Terrace	19.8%	18.2%	24.6%
Semi-detached	22.6%	35.2%	30.8%
Detached	25.4%	38.8%	22.3%
Caravan / mobile / temporary structure	27.9%	0.9%	0.4%

Source: ONS 2011, VOA 2021, AECOM Calculations

158. Table 5-2 looks at the dwelling split in Lockington-Hemington, North West Leicestershire, and England in 2021, derived from VOA data, which is more complex in the separation of houseboats from the brick housing stock. VOA data is derived from households that pay council tax. Households living in residential moorings as their permanent residence generally pay council tax

and so would be assumed to be counted in the 'Caravan / houseboat / mobile home' category. However, this does not appear to be the case in Table 5-2, with only 0.9% of dwellings falling into this category in 2021. An added complexity here is that Aquavista, the company that manages Sawley Marina, has the council tax applied to the marina as a whole, although households have the option to opt out of this and pay individually (as collective payment requires moorings to move berth twice a year). It may therefore be surmised that the majority of houseboats in the 2021 data are counted as one dwelling, with some households potentially being counted separately along with the mobile homes in the NA.

159. A clear outlier in the data shown in Table 5-2 is the proportion of flats in Lockington-Hemington, which has supposedly increased from 4.3% in 2011 to 17.9% in 2021. It is unclear why this is the case and it may be that some of the alternative structures (such as the mobile homes or houseboats) have been mistakenly counted within this category.
160. When looking at houses as opposed to flats, there was a greater proportion of terraced dwellings in the NA than nationally, and a significantly greater proportion than the district. There were fewer bungalows than across North West Leicestershire. There was a greater proportion of detached dwellings in the NA than nationally, but a significantly smaller proportion than North West Leicestershire as a whole.
161. The 2011 type mix outlined in Table 5-1 is therefore considered to be a more accurate representation of dwelling types than the VOA data presented in Table 5-2, especially due to there being few completions between 2011 and 2021. Completion data provided by North West Leicestershire District Council shows that since 2011 there have been 9 completions, 5 of which were brick dwellings and 4 residential houseboats.

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

Dwelling type	Lockington-Hemington	North West Leicestershire	England
Bungalow	9.8%	11.7%	9.3%
Flat	17.9%	6.4%	23.8%
Terrace	27.7%	19.3%	26.3%
Semi-detached	23.2%	29.4%	23.8%
Detached	19.6%	31.3%	15.9%
Caravan / houseboat / mobile home	0.9%	0.6%	0.5%
Unknown/other	1.8%	1.7%	1.0%

Source: VOA 2021, AECOM Calculations

Dwelling size

162. Turning to dwelling size, this is more complex than the dwelling type category as there is no separation of the mobile homes and houseboats within the data. Table 5-3 considers the size mix of Lockington-Hemington based on the 2011

Census and completions to the present. In 2011 the greatest proportion of dwellings were 3-bedroom, at 28.2% of all dwellings, although all dwelling sizes range from 22.3% and 28.2%, representing a relatively even split. The proportion of the smallest 1-bedroom dwellings is significantly higher than expected. This may be due to houseboat and mobile home data having an impact on the Census data when looking at 1-bedroom and 2-bedroom dwellings. However, the proportional split of houseboat sizes cannot be extracted from this data. Additionally, houseboats can often be very flexible in terms of bedroom spaces, with seating areas and dining tables often being able to be converted into additional bedspaces. Whilst they may have one or two permanent bedrooms, it is likely that there is the possibility to sleep additional people.

163. Completion data shows that the majority of development in the last decade has been for 2-bedroom dwellings, with four of the five 2-bedroom dwellings delivered being houseboats. Two dwellings were delivered as 3-bedroom, with the remaining two delivered as 4+ bedroom. Due to the low volume of development since 2011, this has had little impact on the size mix of the NA.

Table 5-3: Dwelling size (bedrooms), Lockington-Hemington, 2011 and 2021/22

Number of bedrooms	2011 (Census)		Completions 2011-2022	2021 total (Census + completions)	
Studio	2	0.5%	0	2	0.5%
1	84	22.3%	0	84	22.0%
2	96	25.5%	5	101	26.4%
3	106	28.2%	2	108	28.3%
4+	88	23.4%	2	100	26.2%
Total	376	-	9	382	-

Source: ONS 2011, AECOM Calculations

164. Table 5-4 shows VOA data for the NA in both 2011 and 2021 as an alternative size mix. As discussed in the dwelling type section, the majority of houseboats at Sawley Marina pay council tax in one payment, meaning that they are less likely to impact the size data than in the Census data above. The VOA data shows that in 2011, the majority of dwellings were 3-bedroom, at 36.3%, followed by 2-bedroom, at 30.1%. There was a significantly smaller proportion of the smallest dwellings in the VOA data than the Census data outlined in Table 5-3. Between 2011 and 2021, Table 5-4 shows that there was very little change in the size mix, likely due to the low levels of development. It is considered that this size mix is a more accurate representation of the brick dwellings in Lockington-Hemington than the Census data. This method is still imperfect as it covers a slightly wider area than the NA but is considered to be a close enough representation.

Table 5-4: Dwelling size (bedrooms), Lockington-Hemington, 2011 and 2021, VOA

Number of bedrooms	2011 VOA	2021 VOA
1	13.3%	14.2%
2	30.1%	31.0%
3	36.3%	37.2%
4+	16.8%	17.7%
Unknown	3.5%	5.3%

Source: VOA 2011, VOA 2021, AECOM Calculations

165. As with the dwelling type mix, it is useful to compare the size mix of Lockington-Hemington with the wider local authority area and the country. Table 5-5 shows that there was a greater proportion of 1-bedroom dwellings than England, and a significantly higher proportion than North West Leicestershire. The proportion of 2-bedroom dwellings was also above the proportions across the comparator areas. The proportion of mid-sized and larger dwellings in Lockington-Hemington was below the proportion in North West Leicestershire.

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

Number of bedrooms	Lockington-Hemington	North West Leicestershire	England
1	14.2%	5.0%	12.6%
2	31.0%	22.7%	28.4%
3	37.2%	49.7%	43.0%
4+	17.7%	22.0%	15.4%

Source: VOA 2021, AECOM Calculations

Age and household composition

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

Age structure

167. Table 5-6 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. It shows that in 2011, the largest proportion of the population were aged 45-64, at 34.7% of the population, followed by those aged 25-44. This picture has changed slightly when looking to 2020. Whilst the greatest proportion of the population remain aged 45-64, although to a greater extent at 40.9%, this is followed by those aged 65-84. The proportion of individuals in the 65-84 age category grew significantly between 2011 (15.8%) and 2020 (21.5%), indicating an aging population in the NA. The proportion of the youngest households fell, along with a significant decline in the proportion of individuals aged 25-44, perhaps indicative of a decline in families.

168. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.
169. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

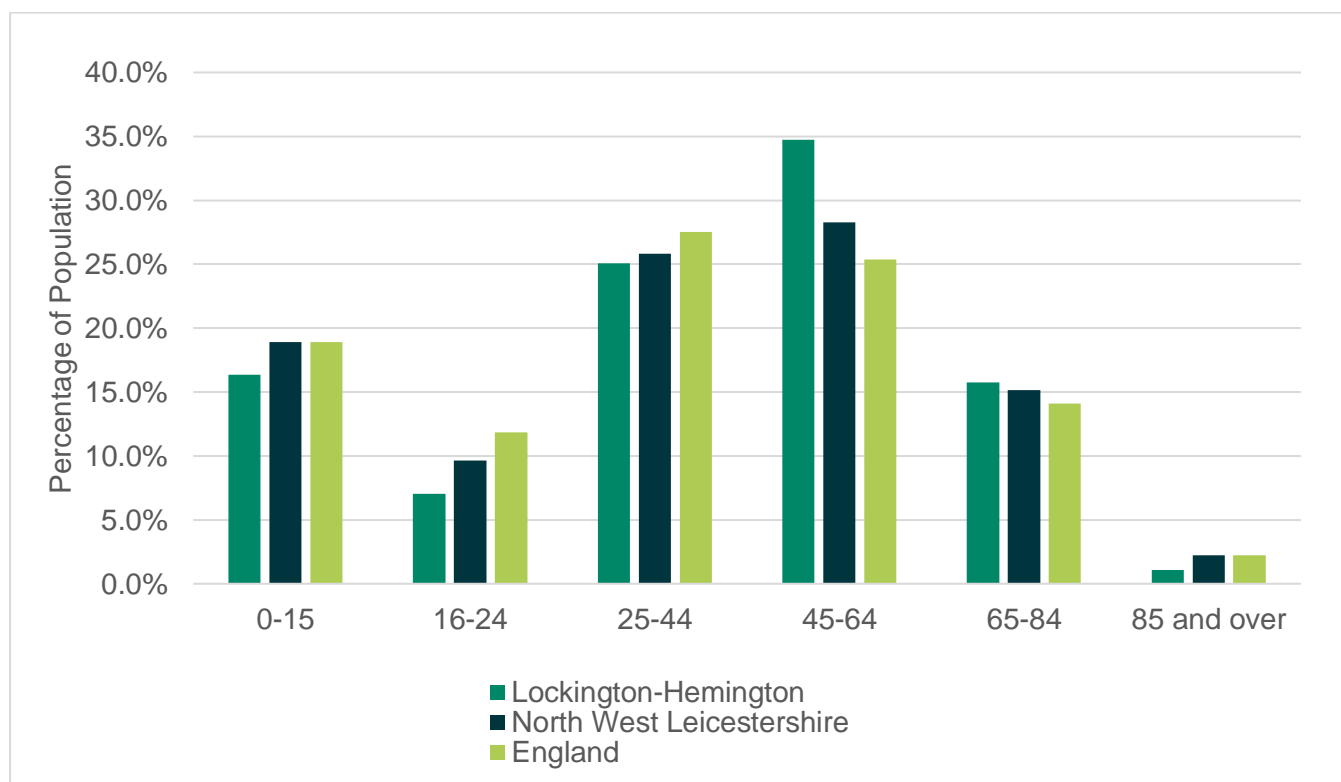
Table 5-6: Age structure of Lockington-Hemington population, 2011 and 2020

Age group	2011 (Census)		2020 (ONS, estimated)	
0-15	137	16.3%	119	13.5%
16-24	59	7.0%	71	8.0%
25-44	210	25.1%	132	14.9%
45-64	291	34.7%	361	40.9%
65-84	132	15.8%	190	21.5%
85 and over	9	1.1%	10	1.1%
Total	838		883	-

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

170. 2021 Census data has begun to be released, with current information limited to population statistics at national and local authority level. It is currently not expected that this data at a parish level will be released until 2023. However, the local authority level data can provide some insight into how Lockington-Hemington has changed over the last decade. The mid-2020 population estimates for North West Leicestershire show that the population in the NA is expected to grow by 5.4% between 2011 and 2020 whilst 2021 Census data shows that the North West Leicestershire population grew by 12.0% between 2011 and 2021. This indicates that the population of Lockington-Hemington is projected to have grown less rapidly than the wider local authority area, or that the 2020 estimates are an underestimate (although dwelling completions data suggests the former is more likely).
171. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-2 (using 2011 Census data) shows that the proportion of the population aged 44 and under in Lockington-Hemington was below both district and national levels, most notably in the 16-24 age category. The proportion of individuals aged 45-64 in the NA was significantly above the proportion across both North West Leicestershire and England. There was a slightly smaller proportion of individuals in the oldest age category in the NA.

Figure 5-2: Age structure in Lockington-Hemington, 2011



Source: ONS 2011, AECOM Calculations

Household composition

172. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-7 shows that Lockington-Hemington had a smaller proportion of single person households than England, but a slightly larger proportion than North West Leicestershire. Despite this, the proportion of single person households aged 65 and over was significantly below the comparator areas.
173. Turning to family households, there was a higher proportion in the NA than nationally in 2011. The greatest proportion of households in Lockington-Hemington were family households with no children, at 27.1% of all households, above both the district (21.4%), and the country (17.6%). This disparity in relation to the comparator areas may be due to the households living on residential moorings in Sawley Marina. It is more likely that couples without children would reside full time on houseboats, generally due to lack of space. Due to the prevalence of this household type, the proportions of families with dependent children and non-dependent children were below levels for North West Leicestershire and England.
174. While the data is quite old at this point, it is interesting to observe the changes between the 2001 and 2011 Census. A notable change in Lockington-Hemington was seen in the proportion of family households where all residents were aged 65+. This category grew by 56.5% in this time compared with a

national decline of 2.0%, indicating a more rapid aging in this time than across England.

Table 5-7: Household composition, Lockington-Hemington, 2011

Household composition		Lockington-Hemington	North West Leicestershire	England
One person household	Total	28.7%	27.1%	30.2%
	Aged 65 and over	6.1%	12.0%	12.4%
	Other	22.6%	15.0%	17.9%
One family only	Total	66.2%	68.1%	61.8%
	All aged 65 and over	9.6%	9.1%	8.1%
	With no children	27.1%	21.4%	17.6%
	With dependent children	23.4%	27.5%	26.5%
	With non-dependent children ¹³	6.1%	10.1%	9.6%
Other household types	Total	5.1%	4.8%	8.0%

Source: ONS 2011, AECOM Calculations

Occupancy ratings

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

176. Under-occupancy is relatively common in Lockington-Hemington, with approximately two thirds of households living in a home with at least one extra bedroom compared to their household size. This is most common in family households aged 65+, at 83.4% under-occupancy. This indicates that larger dwellings in the NA may be occupied by older households that have been unable (or unwilling) to downsize into smaller dwellings, which would in turn free up mid-sized and larger dwellings for families.

177. Just under a third of households in Lockington-Hemington lived in a dwelling with the correct number of bedrooms. There was also a small proportion of households living in overcrowded dwellings. This only occurs in family households (under 65) with dependent children, at 5.7% over-occupancy.

¹³ Refers to households containing children who are older than 18 e.g students or young working people living at home.

Table 5-8: Occupancy rating by age in Lockington-Hemington, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	52.8%	30.6%	16.7%	0.0%
Single person 65+	39.1%	26.1%	34.8%	0.0%
Family under 65 - no children	44.1%	21.6%	34.3%	0.0%
Family under 65 - dependent children	42.0%	26.1%	26.1%	5.7%
Family under 65 - adult children	26.1%	39.1%	34.8%	0.0%
Single person under 65	21.2%	41.2%	37.6%	0.0%
All households	36.7%	29.5%	31.6%	2.1%

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

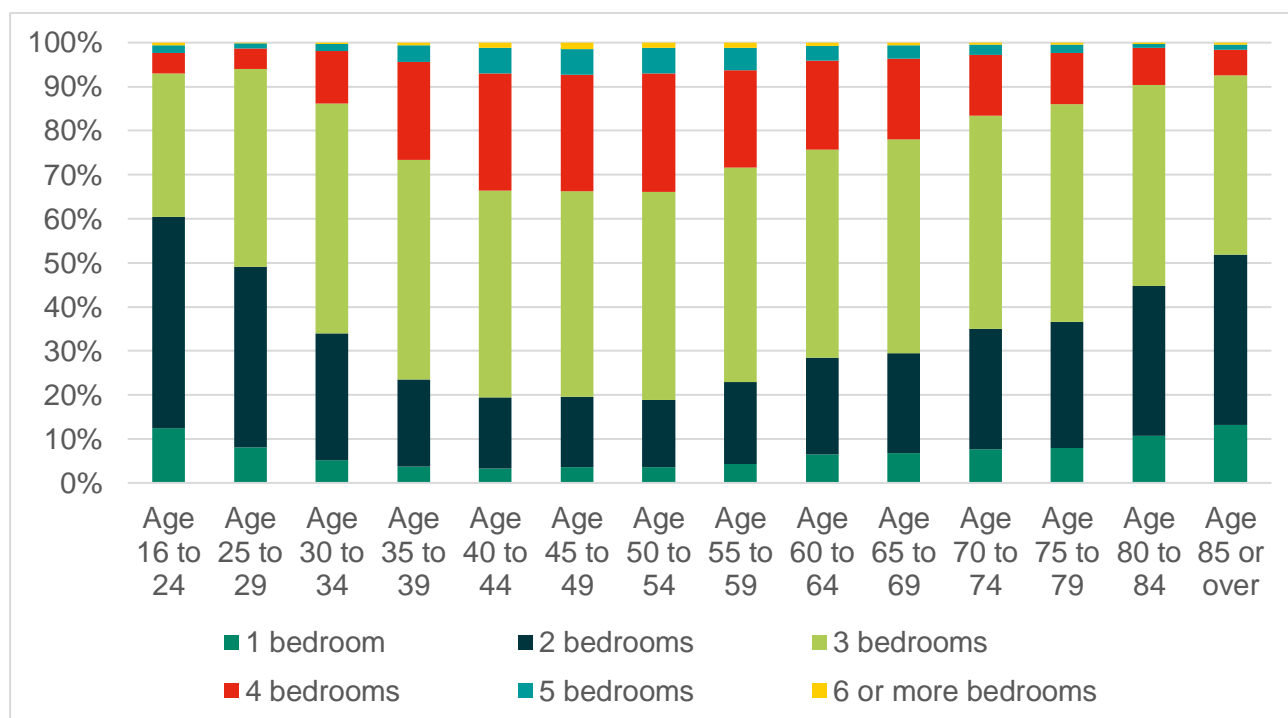
Indicative future dwelling size mix

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

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

- The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
 - Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
 - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results. 2011 VOA data has been used here as opposed to 2011 Census data due to it being considered that this is more representative of the dwelling sizes in Lockington-Hemington.
179. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.
180. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is considered entirely appropriate for the purpose of drafting neighbourhood plan policy.
181. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
182. The first, given as Figure 5-3, sets out the relationship between household life stage and dwelling size for North West Leicestershire in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-3: Age of household reference person by dwelling size in North West Leicestershire, 2011



Source: ONS 2011, AECOM Calculations

183. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Lockington-Hemington households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-9 makes clear that there is expected to be growth in all types of households. The population growth is expected to be driven by the oldest households, with households with a household reference person aged 65 and over expected to grow by 70% between 2011 and 2031. This would mean that in 2031, households in this age category would account for 29.3% of households, compared to 22.6% in 2011.

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

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	6	31	159	95	85
2031	7	39	186	115	144
% change 2011-2031	23%	24%	17%	21%	70%

Source: AECOM Calculations

184. The final result of this exercise is presented in Table 5-10. The model uses 2011 VOA data as the baseline for the current dwelling mix. The model suggests that by 2031, the proportion of smaller 1-bedroom and 2-bedroom homes should be reduced, along with the proportion of the largest 5+ bedroom dwellings. It is recommended that there is a significant increase in mid-sized 3-bedroom dwellings, by almost 10 percentage points. It is also suggested that there is an

increase in the proportion of 4-bedroom dwellings. In order to reach this mix it is suggested that the majority of dwellings are delivered as 3-bedroom, at 64.5% of delivery, with the remainder made up of larger dwellings.

Table 5-10: Indicative dwelling size mix to 2031, Lockington-Hemington

Number of bedrooms	Current mix (2011, VOA)	Indicative mix (2031)	Balance of new housing to reach indicative mix
1 bedroom	13.8%	5.9%	0.0%
2 bedrooms	31.2%	22.9%	0.0%
3 bedrooms	37.6%	47.4%	64.5%
4 bedrooms	11.9%	19.2%	34.5%
5 or more bedrooms	5.5%	4.6%	1.0%

Source: AECOM Calculations

185. Although Table 5-10 indicates that no further development is required of smaller dwellings, it should be noted that this modelling takes into account housing overall, market and affordable. Households looking for Affordable Housing are likely to be in need of smaller dwellings, with the Housing Register indicating that there are two households in need of 1-bedroom dwellings, two households in need of 2-bedroom dwellings, and one household in need of a 3-bedroom dwelling. Lettings data over the last 2 years shows that three 2-bedroom dwellings and one 3-bedroom dwelling have come up for relet in the NA, with 26 bids on these properties. The most bids (16) were for a 2-bedroom house, compared to just 1 bid on a 2-bedroom flat in the same year, also indicating a clear preference for houses over flats in Lockington-Hemington.
186. Community opinion is also important to take into consideration, with the Advisory Committee undertaking a consultation event on 23rd October 2021 and a questionnaire in November 2021. There were a range of responses in terms of dwelling sizes, with the consultation event highlighting preferences for both smaller homes as well as family homes, generally with 1-3 bedrooms. From the questionnaire, 48% of respondents supported the delivery of 1-3 bedroom homes, 26% supported the development of bungalows, and 22% supported the development of larger 4+ bedroom homes.
187. It is never advisable to restrict future housing delivery to selected size categories only. The result of the modelling in Table 5-10 is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.
188. Young starter families and downsizing older households may both need ‘mid-sized’ homes but are likely to have extremely different requirements and degrees of purchasing power. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release

those larger homes for use by families who need more bedrooms. However, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. There may be a strong justification to continue supplying larger homes because a different kind of larger home is needed to accommodate growing families with less buying power.

189. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

The HEDNA findings

190. The HEDNA suggests the following mix of market housing for North West Leicestershire as a whole:
- 0-10% 1-bedroom;
 - 30-40% 2-bedroom;
 - 45-55% 3-bedroom; and
 - 10-20% 4+bedroom.
191. The suggested mix for social/affordable rented dwellings is heavily skewed towards smaller dwellings, in the following split for the LPA:
- 35-40% 1-bedroom;
 - 25-30% 2-bedroom;
 - 25-30% 3-bedroom; and
 - 5-10% 4+bedroom.
192. The suggested mix for intermediate (affordable home ownership) dwellings differs again, with the following split for the LPA:
- 15-20% 1-bedroom;
 - 50-55% 2-bedroom;
 - 25-30% 3-bedroom; and
 - 0-5% 4+bedroom.
193. These are not directly comparable to the AECOM modelled size mix because they account for a larger area and splitting the mix between market and affordable dwellings. It does however provide helpful comparison to Table 5-10.

Conclusions- Type and Size

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

Current dwelling stock

195. The starting point for understanding the split in dwelling types in Lockington-Hemington is the 2011 Census. The greatest proportion of dwellings in the NA were not traditional brick dwellings at this time, but caravans/mobile homes/temporary structures (assumed to also include houseboats). Approximately 27.9% of dwellings were of this type, totalling 110 units. This is significantly above levels across North West Leicestershire and England, both of which have proportions of less than 1.0%. Overall, in 2011, Lockington-Hemington had 31.0% of North West Leicestershire's caravans/mobile homes/temporary structures. There was a greater proportion of detached dwellings in Lockington-Hemington than nationally, although a significantly smaller proportion than across the district, with the proportion of semi-detached dwellings well below both comparator areas. There were very few flats in the NA.

196. Looking to 2021, the picture is more complex than 2011 Census data as it is understood that houseboats are not included in VOA data because Sawley Marina pay council tax in one payment, as opposed to individual households being recorded. There was supposedly an increase in flats from 4.3% in 2011 to 17.9% in 2021. It is unclear why this is the case and it may be that some of the alternative structures (such as the mobile homes or houseboats) have been mistakenly counted within this category. There were fewer bungalows than across North West Leicestershire and a greater proportion of detached dwellings in the NA than nationally, but a significantly smaller proportion than North West Leicestershire as a whole. The 2011 type mix outlined in Table 5-1 is therefore considered to be a more accurate split of dwelling types than the VOA data presented in Table 5-2, especially due to there being few completions between 2011 and 2021.

197. Turning to dwelling size, this is more complex than the dwelling type category as there is no separation of the mobile homes and houseboats within the data. In 2011 the greatest proportion of dwellings were 3-bedroom, at 28.2% of all dwellings, although all dwelling sizes range from 22.3% and 28.2%, representing a relatively even split. The proportion of the smallest 1-bedroom dwellings is significantly higher than expected. This may be due to houseboat and mobile home data impacting the Census data when looking at 1-bedroom and 2-bedroom dwellings. Completion data shows that the majority of

development in the last decade has been for 2-bedroom dwellings, with four of the five 2-bedroom dwellings delivered being houseboats.

198. Alternatively, VOA data shows that in 2011, the majority of dwellings were 3-bedroom, at 36.3%, followed by 2-bedroom, at 30.1%. There was a significantly smaller proportion of the smallest dwellings in the VOA data than the Census data. Between 2011 and 2021 there was very little change in the size mix, likely due to the low levels of development. It is considered that this size mix is a more accurate representation of the brick dwellings in Lockington-Hemington than the Census data.

Demographics

199. In 2011, the largest proportion of the population were aged 45-64, followed by those aged 25-44. Looking to 2020, the greatest proportion of the population remain aged 45-64, although to a greater extent than 2011, followed by those aged 65-84. The proportion of the youngest households fell, along with a significant decline in the proportion of individuals aged 25-44, perhaps indicative of a decline in families.
200. Population growth over the plan period is expected to be driven by the oldest households, with households with a household reference person aged 65 and over expected to grow by 70% between 2011 and 2031. This would mean that in 2031, households in this age category would account for 29.3% of households, compared to 22.6% in 2011.
201. In 2011 the proportion of the population aged 44 and under in Lockington-Hemington was below both district and national levels, most notably in the 16-24 age category. The proportion of individuals aged 45-64 in the NA was significantly above the proportion across both North West Leicestershire and England. There was a slightly smaller proportion of individuals in the oldest age category in the NA.
202. Under-occupancy is relatively common in Lockington-Hemington, with approximately two thirds of households living in a home with at least one extra bedroom compared to their household size. This is most common in family households aged 65+, at 83.4% under-occupancy. This indicates that larger dwellings in the NA may be occupied by older households that have been unable (or unwilling) to downsize into smaller dwellings, which would in turn free up mid-sized and larger dwellings for families.

Future size mix

203. AECOM modelling suggests that by 2031, the proportion of smaller 1-bedroom and 2-bedroom should be reduced, along with the proportion of the largest 5+ bedroom dwellings. It is recommended that there is a significant increase in mid-sized 3-bedroom dwellings and an increase in the proportion of 4-bedroom dwellings. In order to reach this mix it is suggested that the majority of dwellings are delivered as 3-bedroom, at 64.5% of delivery, with the remainder as larger dwellings.

204. It should be noted that this modelling takes into account housing overall, market and affordable. Households looking for Affordable Housing are likely to be in need of smaller dwellings, with the Housing Register indicating that there are two households in need of 1-bedroom dwellings, two households in need of 2-bedroom dwellings, and one household in need of a 3-bedroom dwelling.
205. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

6. RQ 3: Specialist housing for older people

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

Introduction

206. This chapter considers in detail the specialist housing needs of older people in Lockington-Hemington. The level of care associated with specialist housing products can vary widely, and is broadly categorised, in descending order from highest to lowest care level, as follows

- Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);
- Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and
- Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.

207. People experience ageing differently. Much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age while others may need support and care much earlier in their lives. Some will be interested in moving to a suitable home closer to services while for others ageing independently in place will be key to their wellbeing.

208. 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.

209. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,¹⁴ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

210. 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 a baseline

¹⁴ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁵

211. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁶ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. 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.

Current supply of specialist housing for older people

212. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: <http://www.housingcare.org>.

213. Table 6-1 counts a total of 12 units of specialist accommodation in the NA at present, all of which are available for social rent for those in financial need.

214. ONS 2020 population estimates suggest that there are currently around 55 individuals aged 75 or over in Lockington-Hemington. This suggests that current provision is in the region of 218 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

Table 6-1: Existing specialist housing for Older People in Lockington-Hemington

	Name	Description	Dwellings	Tenure	Type
1	Man Street	2-bedroom flats.	12	Rent (social landlord)	Age exclusive housing

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

Tenure-led projections

215. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across North West Leicestershire, as this is the most recent and smallest geography for which tenure by age bracket data is available.

216. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2031. 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

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

¹⁶ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

private or social sectors, are projected to need affordable rented specialist accommodation.

217. According to Table 6-2, the vast majority of households aged 55-75 in North West Leicestershire owned their own home, at 80.6% of households. The remaining 19.4% rented their home. The greatest proportion of those renting were in social housing, at 13.5% of all households. It may be surmised that the existing stock of specialist older persons housing in the NA does not cater enough for the owner occupied sector. However, this is before taking into consideration mobility limitations specific to the NA and the fact that home adaptations may be more suitable for households that own their own home than those living in the social rented or private rented sector.

Table 6-2: Tenure of households aged 55-75 in North West Leicestershire, 2011

All owned	Owned		All Rented	Social rented	Private rented	Living rent free
	Owned outright	(mortgage) or Shared Ownership				
80.6%	59.4%	21.2%	19.4%	13.5%	4.9%	1.0%

Source: Census 2011

218. The next step is to project how the overall number of older people in Lockington-Hemington is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for North West Leicestershire at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 6-3. It shows that in 2011, 5.3% of people were aged 75+, a smaller proportion than North West Leicestershire as a whole (7.7%). Looking to 2031, the proportion of the population aged 75+ is expected to increase to 7.3%.

Table 6-3: Modelled projection of older population in Lockington-Hemington by end of Plan period

Age group	2011		2031	
	Lockington-Hemington	North West Leicestershire	Lockington-Hemington	North West Leicestershire
All ages	838	93,468	1,100	122,641
75+	44	7,235	80	13,206
%	5.3%	7.7%	7.3%	10.8%

Source: ONS SNPP 2020, AECOM Calculations

219. A key assumption for the next stages of the calculation 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).

220. The people whose needs are the focus of the subsequent analysis are therefore the additional 36 individuals expected to join the 75+ age group by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in North West Leicestershire in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 7,235 individuals aged 75+ and 5,258 households headed by a person in that age group. The average household size is therefore 1.38, and the projected growth of 36 people in Lockington-Hemington can be estimated to be formed into around 26 households.

221. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above). This is set out in Table 6-4. This provides a breakdown of which tenures those households are likely to need.

Table 6-4: Projected tenure of households aged 75+ in Lockington-Hemington to the end of the Plan period

Owned	Owned outright	Owned (mortgage) or shared ownership	All rented	Social rented	Private rented	Living rent free
21	16	6	5	4	1	0

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

222. Next, rates of disability by tenure are considered. 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 6-5 presents this data for Lockington-Hemington from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

Table 6-5: Tenure and mobility limitations of those aged 65+ in Lockington-Hemington, 2011

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	23	16.3%	41	29.1%	77	54.6%
<i>Owned Total</i>	18	15.0%	32	26.7%	70	58.3%
Owned outright	14	13.1%	30	28.0%	63	58.9%
Owned (mortgage) or shared ownership	4	30.8%	2	15.4%	7	53.8%
<i>Rented Total</i>	5	23.8%	9	42.9%	7	33.3%
Social rented	2	20.0%	5	50.0%	3	30.0%
Private rented or living rent free	3	27.3%	4	36.4%	4	36.4%

Source: DC3408EW Health status

223. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 12.

224. These findings are set out in the table, 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.

Table 6-6: AECOM estimate of specialist housing need for older (75+) households in Lockington-Hemington by the end of the Plan period

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of older households across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of older households across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	4
	1	3	
Adaptations, sheltered, or retirement living	Multiply the number of older households across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of older households across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	8
	2	6	
Total	3	9	12

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

225. 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 6-7 reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

226. It is worth highlighting that the HLIN model suggests that the level of unmet demand for specialist housing for older people of all kinds is approximately 251 units per 1,000 of the population aged 75+.

Table 6-7: Recommended provision of specialist housing for older people from the SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

227. As Table 6-3 shows, Lockington-Hemington is forecast to see an increase of 36 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.036 = 2$
- Leasehold sheltered housing = $120 \times 0.036 = 4$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.036 = 0.73$
- Extra care housing for rent = $15 \times 0.036 = 0.54$
- Extra care housing for sale = $30 \times 0.036 = 1.09$
- Housing based provision for dementia = $6 \times 0.036 = 0.22$

228. This produces an overall total of 9 specialist dwellings which might be required by the end of the plan period.

229. Table 6-8 sets out the HLIN recommendations in the same format as Table 6-6. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates.

Table 6-8: HLIN estimate of specialist housing need for older people in Lockington-Hemington by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	2
	1	1	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	6
	2	4	
Total	3	5	8

Source: Housing LIN, AECOM calculations

HEDNA findings

230. The HEDNA identifies a projected need for 1,079 units of specialist housing for older persons between 2011 and 2031, or 43 per annum, in North West Leicestershire. Pro-rated to the NA this would suggest a need for 0.39 units per annum, or 3.5 units over the plan period 2022-2031. This is slightly below the AECOM estimates.

Conclusions- Specialist Housing for Older People

231. There are currently 12 units of specialist accommodation for older persons in the NA, all available for social rent.

232. It is expected that during the plan period, 36 individuals will join the 75+ age group in Lockington-Hemington, which currently stands at 44 individuals in 2011. They are estimated to be formed in to 26 households.

233. 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.

234. These two methods of estimating the future need in Lockington-Hemington produce a range of 8 to 12 specialist accommodation units that might be required during the 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.

235. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When

considering the AECOM calculations outlined in Table 6-6, the majority of the need, at 75.0%, is identified for specialist market housing. Slightly more need is identified for sheltered housing at 2/3 compared to 1/3 extra-care. The greatest sub-category of need was identified for market sheltered housing at 50.0% of the total need. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

236. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).
237. Local Plan policy H6 (House types and mix) provides explicit encouragement for development to accommodate specific groups such as older people on developments of 50 or more dwellings. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)) on a smaller scale than this. The emerging Local Plan Development Strategy Options and Policy Options document indicates that the preferred option is that all new residential development would be required to meet at least Category M4(2), with at least 5% of new Affordable Housing meeting Category M4(3). Government is also considering mandating M4(2) on newly erected dwellings¹⁷, although changes to Building Regulations have not yet been made.
238. 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, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of Affordable Housing applicants in the district falling into this category.
239. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;

¹⁷ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

- so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
- so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.

240. 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).

241. It is considered that Lockington-Hemington's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Lockington-Hemington entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Lockington-Hemington, Castle Donington may be considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model), and is just 1 mile from the village of Hemington. If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself would not overlap.

242. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

7. Next Steps

Recommendations for next steps

243. This Neighbourhood Plan housing needs assessment aims to provide Lockington-Hemington 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 North West Leicestershire 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 North West Leicestershire 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 North West Leicestershire District Council.
244. 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.
245. Bearing this in mind, it is recommended that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, North West Leicestershire District Council, or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
246. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

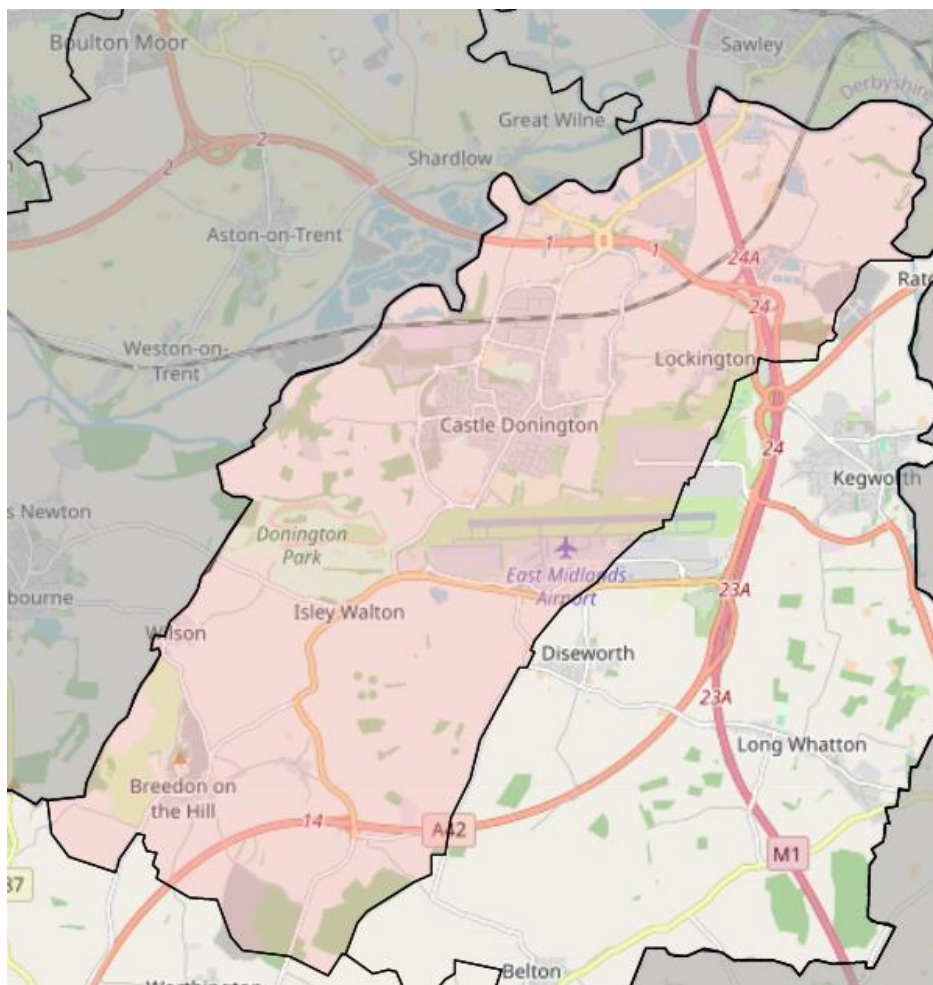
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

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

248. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of Lockington-Hemington, it is considered that MSOA E02005397 is the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map of MSOA E02005397 appears in Figure A-1.

Figure A-1: MSOA E02005397 used as a best-fit geographical proxy for the Neighbourhood Area



Source: ONS

A.2 Market housing

249. Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.
250. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

i) Market sales

251. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
252. 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 Lockington-Hemington, 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.
253. The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2021) = £355,000;
 - Purchase deposit at 10% of value = £35,500;
 - Value of dwelling for mortgage purposes = £319,500;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £91,286.
254. 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 2021 was £184,000, and the purchase threshold is therefore £47,314.
255. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records no sales of new build properties in the NA in 2021. AECOM has calculated an estimate for the cost of new build entry-level housing in the NA in 2021. This is important as it is the expected lower end of the market for new housing in the near future, and it is also the benchmark used for the likely cost of affordable home ownership products (calculated later in the

Appendix). The estimated NA new build entry-level house price is calculated by determining the uplift between all house prices in 2021 across North West Leicestershire and new build house prices in 2021 in the same area. This percentage uplift is then applied to the 2021 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £234,250 and purchase threshold of £60,236.

256. 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 North West Leicestershire in 2021. The median cost of new build dwellings in North West Leicestershire was £295,995, with a purchase threshold of £76,113.

ii) Private Rented Sector (PRS)

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

258. 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.

259. 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 1 mile of Lockington settlement. This 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.

260. According to Rightmove.co.uk, there were 14 properties for rent at the time of search in October 2022, with an average monthly rent of £853. There were 7 two-bed properties listed, with an average price of £745 per calendar month.

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

- Annual rent = £745 x 12 = £8,940;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £29,800.

262. The calculation is repeated for the overall average to give an income threshold of £34,100.

A.3 Affordable Housing

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

i) Social rent

264. 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.

265. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Lockington-Hemington. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for North West Leicestershire in the Table A-1.

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

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£81.83	£91.39	£99.37	£110.45	£92.62
Annual average	£4,255	£4,752	£5,167	£5,743	£4,816
Income needed	£14,170	£15,825	£17,207	£19,126	£16,038

Source: Homes England, AECOM Calculations

ii) Affordable rent

267. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).

268. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families

under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

269. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for North West Leicestershire. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.

270. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 59.0% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£84.69	£101.46	£111.20	£128.15	£98.20
Annual average	£4,404	£5,276	£5,782	£6,664	£5,106
Income needed	£14,665	£17,569	£19,255	£22,190	£17,004

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

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

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

First Homes

273. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.

274. The starting point for these calculations is therefore the estimated cost of new build entry-level housing in the NA noted above of £234,250.

275. 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) = £234,250;
- Discounted by 30% = £163,975;
- Purchase deposit at 10% of value = £16,397;
- Value of dwelling for mortgage purposes = £147,577;
- Divided by loan to income ratio of 3.5 = purchase threshold of £42,165.

276. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £36,141 and £30,118 respectively.

277. 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 values are also below the cap of £250,000.

278. 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. m¹⁸) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be an issue in Lockington-Hemington with First Homes at a 50% discount.

Shared ownership

279. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

280. 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.

281. 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

¹⁸ 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/>

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).

282. The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £234,250 is £58,562;
- A 10% deposit of £5,856 is deducted, leaving a mortgage value of £52,706;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £15,059;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £175,687;
- The estimated annual rent at 2.5% of the unsold value is £4,392;
- This requires an income of £14,641 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £29,700 (£15,059 plus £14,641).

283. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £23,592 and £39,878 respectively.

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

Rent to Buy

285. Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Help to Buy (Equity Loan)

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

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

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods¹⁹.

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 Standard²⁰

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

¹⁹ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²⁰ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order²¹

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

Concealed Families (Census definition)²²

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

Equity Loans/Shared Equity

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

²¹ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²² See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning authorities should work with all the other constituent authorities under the duty to cooperate.

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of this Framework).

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²³, 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.

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

²³ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing²⁴

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

²⁴ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for 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.²⁵

²⁵ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

