

Harberton Parish

Housing Needs Assessment (HNA)

May 2022

Quality information

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Table of Contents

1. Executive Summary.....	8
Tenure and Affordability	8
Type and Size	9
Specialist Housing for Older People.....	10
Second Homes and Holiday Lets	11
2. Context.....	12
Local context.....	12
The Housing Market Area Context	14
Planning policy context.....	14
Policies in the adopted local plan	15
Quantity of housing to provide.....	18
3. Approach	19
Research Questions.....	19
Tenure and Affordability	19
Type and Size	19
Specialist Housing for Older People.....	20
Second Homes and Holiday Lets	20
Relevant Data	20
4. RQ1: Tenure, Affordability, and the Need for Affordable Housing	21
Introduction	21
Current tenure profile	22
Affordability.....	23
House prices	23
Income	24
Affordability Thresholds.....	25
2018 HNA Findings	29
2015 NPCCS Findings.....	29
Affordable housing- quantity needed.....	31
Affordable Housing policy guidance	35
Conclusions- Tenure and Affordability	40
5. RQ2: Type and Size.....	42
Introduction	42
Existing types and sizes.....	42
Background and definitions	42
Dwelling type.....	43
Dwelling size	44
Age and household composition	45
Age structure.....	45
Household composition	47
Occupancy ratings.....	48
Dwelling mix determined by life-stage modelling.....	49
Suggested future dwelling size mix	49
2015 NPCCS Findings.....	53
Conclusions- Type and Size.....	53
6. RQ3: Specialist housing for older people	55

Introduction	55
Current supply of specialist housing for older people	56
Tenure-led projections	56
Housing LIN-recommended provision	60
2015 NPCF Findings.....	62
Conclusions - Specialist Housing for Older People	62
7. RQ4: Second Homes and Holiday Lets	65
Introduction	65
Existing Policy	66
Second Homes and Holiday Lets Data.....	66
2018 HNA Findings	69
Policy Considerations.....	69
2015 NPCF Findings.....	69
Conclusion - Second Homes and Holiday Lets	70
8. Conclusions	71
Overview	71
Recommendations for next steps.....	74
Appendix A : Calculation of Affordability Thresholds.....	75
A.1 Assessment geography	75
A.2 Market housing	76
i) Market sales	76
ii) Private Rented Sector (PRS).....	77
A.3 Affordable Housing	77
i) Social rent.....	77
ii) Affordable rent	78
iii) Affordable home ownership	79
Appendix B : Housing Needs Assessment Glossary	82

Figures

Figure 2-1: Map of the Harberton Parish Neighbourhood Area and the four OAs within it (labelled by their last two digits)	13
Figure 4-1: House prices by quartile in Harberton Parish, 2012-2021	24
Figure 4-2: Affordability thresholds in Harberton Parish, income required (additional cost of deposit in black)	30
Figure 5-1: Age structure in Harberton Parish, 2011	47
Figure 5-2: Age of household reference person by dwelling size in South Hams, 2011	51
Figure 7-1: ONS definitions of 'other' business use categories	68

Tables

Table 4-1: Tenure (households) in Harberton Parish, 2011.....	23
Table 4-2: Median house prices by type in Harberton Parish, 2012-2021	24
Table 4-3: Affordability thresholds in Harberton Parish (income required, £).....	26
Table 4-4: Discount on sale price required for households to afford First Homes.....	28
Table 4-5: Estimate of need for Affordable Housing for rent in Harberton Parish by 2037	32
Table 4-6: Estimate of the potential demand for affordable housing for sale in Harberton Parish by 2037	34
Table 4-7: Indicative tenure split (Affordable Housing)	39
Table 4-8: Estimated delivery of Affordable Housing in Harberton Parish	40
Table 5-1: Accommodation type, Harberton Parish, 2011.....	43
Table 5-2: Accommodation type, Harberton Parish, 2011.....	44
Table 5-3: Number of bedrooms in household spaces in Harberton Parish, 2011	45
Table 5-4: Age structure of Harberton Parish population, 2011 and 2020	46
Table 5-5: Household composition, Harberton Parish, 2011.....	48
Table 5-6: Occupancy rating by age in Harberton Parish, 2011.....	49
Table 5-7: Projected distribution of households by age of HRP, Harberton Parish ...	51
Table 5-8: Suggested dwelling size mix to 2037, Harberton Parish.....	52
Table 6-1: Existing specialist housing for the elderly in Harberton Parish	56
Table 6-2: Tenure of households aged 55-75 in South Hams, 2011	57
Table 6-3: Modelled projection of elderly population in Harberton Parish by end of Neighbourhood Plan period.....	57
Table 6-4: Projected tenure of households aged 75+ in Harberton Parish to the end of the Neighbourhood Plan period.....	58
Table 6-5: Tenure and mobility limitations of those aged 65+ in Harberton Parish, 2011	59
Table 6-6: AECOM estimate of specialist housing need in Harberton Parish by 2037	60
Table 6-7: Recommended provision of specialist housing for older people from the SHOP toolkit.....	61
Table 6-8: HLIN estimate of specialist housing need in Harberton Parish by 2037 ..	62
Table 7-1: Estimated number of second homes and holiday lets in Harberton Parish	68
Table 8-1: Summary of study findings specific to Harberton Parish with a potential impact on Neighbourhood Plan housing policies.....	71

List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
JLP	Plymouth and South West Devon Joint Local Plan 2019
LHN	Local Housing Need
LPA	Local Planning Authority
MSOA	Middle Layer Super Output Area
NA	Neighbourhood Area
NP	Neighbourhood Plan
NPCS	Neighbourhood Plan Consultation Survey (2015)
NPPF	National Planning Policy Framework
NPSG	Harberton Parish Neighbourhood Plan Steering Group
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SH	South Hams
SHDC	South Hams District Council
SHMA	Strategic Housing Market Assessment
SPD	Plymouth and South West Devon Supplementary Planning Document
VOA	Valuation Office Agency

1. Executive Summary

Tenure and Affordability

1. Based on 2011 Census data, ownership tenures are the most common tenure type in Harberton Parish, accounting for around 65% of all tenures. Private rent, Social Rent, and Shared Ownership were approximately 23%, 9%, and 2% of all tenures in Harberton Parish, respectively.
2. The high rate of ownership tenures in Harberton Parish, in combination with a rising median house price (which has risen 65% between 2012-2021), has resulted in the Parish becoming a challenging area to get onto the property ladder - average income households would need to earn 99% more income to afford median house prices on market ownership tenures. Households of one and two lower quartile earners are also below the affordability threshold for any market ownership.
3. Market rent in Harberton Parish is more accessible than market ownership, although it is only affordable to average (or higher) earners. Households of one and two lower quartile earners are below the affordability threshold for any market rent.
4. An offering of Affordable Housing tenures will be necessary in Harberton Parish to bring housing to attainable prices for many households of varying ownership/renting aspirations:
 - First Homes at 50% would be useful for households aspiring for ownership and have a suitable deposit saved up. First Homes tenures at 50% discount levels are the only way that home ownership can become attainable for average earning households in Harberton Parish.
 - Shared Ownership at 25% or lower equity would also be valuable in bringing ownership tenures to within affordable levels for households on average incomes and lacking funds to put down a deposit required for market or First Homes tenures. Shared Ownership at 25% equity has a similar affordability threshold to First Homes at 50% discount, but may be considered a less attractive option if applicants had a suitable deposit for the latter. However, Shared Ownership at 10% stands alone as the most affordable route to home ownership in Harberton Parish, making the ownership market available to households earning slightly under the average. Unfortunately, households of one and two lower quartile earners are below the affordability threshold for the maximum First Homes discount and all Shared Ownership tenures.
 - A small offering of Rent to Buy will provide value to households on average income or higher who lack sufficient deposits rather than sufficient incomes, or struggle to attain a mortgage.
 - Both Affordable Rent and Social Rent packages are vital for households of single individuals on lower quartile income, who without these discounts would be priced out of the area.
5. According to SH data, there are currently 28 applicants on the housing register in Harberton Parish. Over the NP period, our calculations suggest that an additional 15 households will fall into need. Overall, this creates a demand of 43 households over the NP period, however, some of this demand will be absorbed by Affordable Housing re-lets. Our calculations suggest that 19 dwellings are needed to satisfy the Affordable Rent need

in Harberton Parish by the end of the NP period. A further potential demand for 91 dwellings has been calculated to accommodate households aspiring to move from renting to ownership tenures (although this is much less of a priority compared to Affordable Renting need, and our estimate does not take into account whether those 91 households would all be able to afford the available options).

6. A 65% rent to 35% ownership split is suggested for new Affordable Housing in the area to strike a balance between fulfilling the most important renting needs in the area, whilst also providing a smaller offering of Affordable Homes ownership tenures for households struggling with the affordability thresholds of ownership in the area. This split has been suggested based on AECOM calculations, but also aligns with the target split outlined in the Local Plan's supplementary planning document.
7. Under a scenario where a 65% rent to 35% ownership split for Affordable Housing is achieved, and the maximum number of Affordable Housing units are delivered in Harberton village and Harbertonford, Harberton Parish could expect to deliver 10 dwellings on Affordable/Social Rent tenures and five dwellings on ownership tenures.
8. This level of delivery does not meet the total quantity of demand identified in estimates of the need for affordable housing although it is weighted so that priority is given to the acute need for affordable rented properties.

Type and Size

9. 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 HMA (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
10. Beginning with housing type, Harberton Parish's housing mix is weighted towards the less dense housing types, but finds itself mostly in line with the district's mix – the two main differences being that Harberton Parish has a notably lower proportion of flats, and a higher proportion of terraced dwellings.
11. Harberton Parish's size mix is dominated by intermediate house sizes (two and three-bedroom dwellings), a characteristic that is appropriate for Harberton Parish's population.
12. Harberton Parish's population is ageing, but remains balanced in the most recently available data. The ageing population is, however, expected to increase into the future, with Harberton Parish's household age bands at 55-64 expected to grow around 4.7%, and 65-and-over household age band expected to grow around 66.4%, by 2037. The other age bands are expected to experience negative or negligible growth by 2037.
13. Between 2001-2011, the household composition that saw the most growth in Harberton Parish was families with non-dependent (older) children, growing by 44.4%. The growth in this household type may be an indicator that supports the previous chapter's conclusions regarding issues with affordability in the area limiting the ability of younger people and new families to get onto the property ladder.
14. The current type mix within Harberton Parish seems well placed to serve the Parish's present day and future needs, given the size of its population and its position within the wider district. However, if desired, there is room to increase the percentage of flats in the area to offer a broader range of housing type options.

15. The current dwelling size mix would also appear to already be well suited to meet Harberton Parish's future needs based on modelling that analyses population change and the existing dwelling stock. However, to achieve Harberton Parish's 'ideal' dwelling mix by 2037, future housing development might attach some priority towards slightly increasing the proportion of three-bedroom dwellings in place of five-or-more-bedroom dwellings in Harberton Parish's overall mix.

Specialist Housing for Older People

16. There are 14 confirmed specialist housing units for older people in Harberton Parish, all available on Social Rent tenures. There may also be several other additional specialist housing units for older people, as indicated by NPSG, however these are unconfirmed. Based on the 14 confirmed units, it can be estimated that Harberton Parish's 75+ population is 114 - this results in Harberton Parish having an offering of around 123 units per 1,000 of the 75+ population.
17. Future population growth in Harberton Parish is expected to be driven by the older population age bands - specifically, the number of 75+ individuals in Harberton Parish is expected to almost double by 2031, and account for around four more percentage points of the total population compared to current levels.
18. The calculations within this report estimated that the future need for specialist accommodation in Harberton Parish will be in the range of 18 to 22 units during the Neighbourhood Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
19. Regarding the tenure of new specialist housing units (which, as stated above, is currently 100% affordable tenures), the NP may not be able set the proportion that should be affordable, and therefore the tenure split should align with the JLP (a 70% market to 30% affordable split).
20. Given that there is unlikely to be a large volume of additional specialist supply during the NP period, another avenue open to the NPSG is to discuss the standards of accessibility and adaptability in new development to be met in the JLP with SHDC. The local level evidence supplied in this report could be used to influence district/borough 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 NPs may have limited influence over changes to the existing stock).
21. It is relatively common for Local Plans to require that all or most of the 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. Policy DEV9 in the JLP fulfils this role, requiring that at least 20% of dwellings on schemes of 5 or more dwellings should meet national standards for accessibility and adaptability (Category M4(2)), and at least 2% of dwellings on schemes of 50 or more dwellings should meet national standard for wheelchair users (Category M4(3)).
22. 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 several reasons, as follows:
 - So that residents, who often lack cars of their own, can 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.
 - So that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
23. 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 elderly housing needs arising from several different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
24. It is considered that Harberton Parish's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation based on 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 Harberton Parish entirely within the NA boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Harberton Parish, Totnes is considered to have potential to accommodate the specialist housing need arising from the NA (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the NA itself would not overlap.
25. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

Second Homes and Holiday Lets

26. This section of the HNA considers the current extent of second home and holiday let ownership in Harberton Parish. It finds that there are 69 dwellings with no usual residents in Harberton Parish. It is estimated that 19 of the 69 dwellings are holiday lets, and the remaining 50 dwellings are second homes.
27. There are a limited number of data sources available that are relevant to second homes and holiday lets. Therefore, census data is considered the most accurate and comprehensive secondary source for this indicator. An up-to-date snapshot is imminent, with the results of the 2021 Census to be published in the coming months.
28. There may be scope to reflect the results of the upcoming Census in any potential policy in this subject by making its provisions conditional on an established threshold of second home ownership or rate of increase.
29. Based on the limited evidence within this report, a second homes policy may be appropriate in Harberton Parish if historical rates of second home/holiday let ownership (around 11% in 2011) continue into the present day.

2. Context

Local context

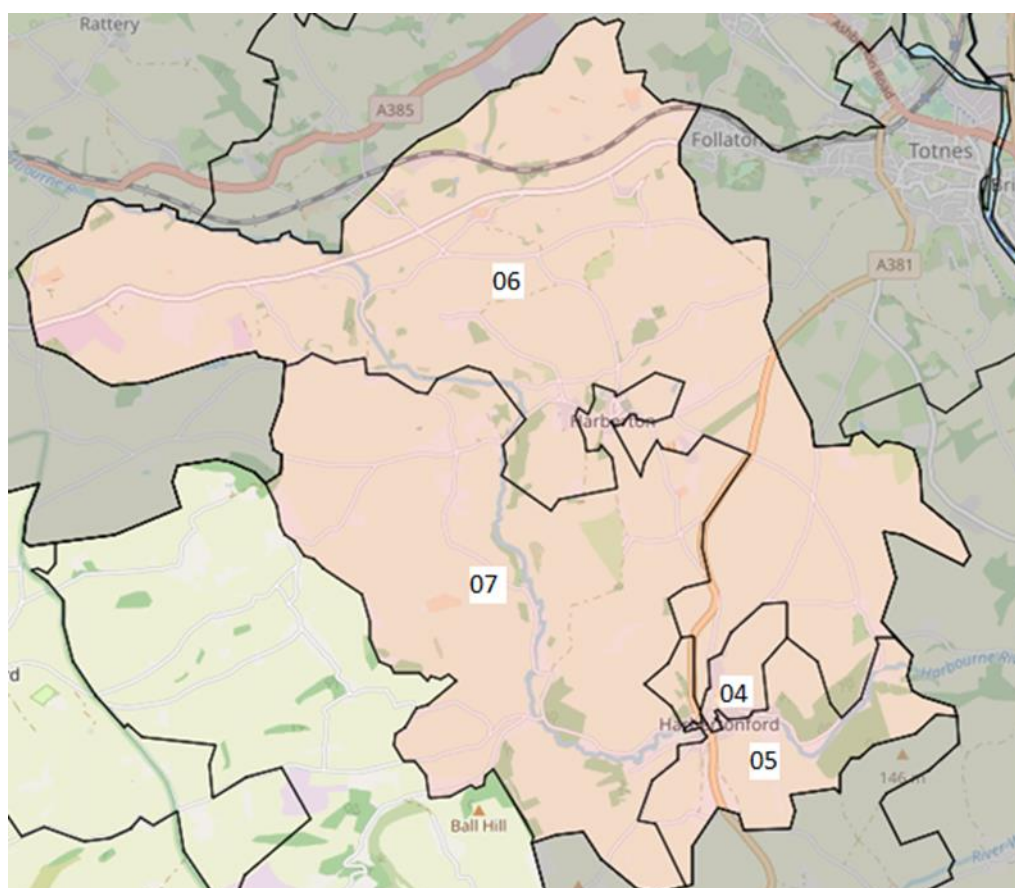
30. Harberton Parish is a Neighbourhood Plan (NP) area located in South Hams (SH), Devon. The Neighbourhood Area (NA) aligns with the existing boundary of Harberton Parish and was designated in 2013.
31. The proposed NP starts in 2022 and extends to 2037, therefore comprising a planning period of 15 years. The evidence supplied in this report will look forward to the NP end date of 2037, but where possible will also provide annualised figures which can be extrapolated to a different term if the NP period changes.
32. Harberton is a rural parish, with most of the land in the area being open fields used for agriculture. Spatial development within the Parish is mostly concentrated around the two villages within the NA – Harberton (located in the centre of the NA), and Harbertonford (located towards the south of the NA), but also includes small hamlets distributed throughout the area, such as East Leigh and West Leigh.
33. To avoid confusion, 'Harberton Parish' will always be referred to in full within this report with references to 'the village of Harberton' or 'Harberton village' or 'Harberton (village)' where relevant.
34. Amenities across Harberton Parish are limited, however, Harbertonford is relatively well served compared to the rest of the Parish, with most of the NA's amenities concentrated there. These include a post office, church, football club, and a petrol station. Harbertonford also has a primary school – the only school in the Parish. The village of Harberton has a limited number of amenities too, including a free house, parish hall, and church.
35. There is restricted access to public transport in the NA, especially outside of the two main villages (which are the only areas served by buses, towards the market town of Totnes, outside of the NA). Most of the NA is accessible by car, however access is mostly gained along narrow single-track country lanes. The only notable exception is the A381, a single-carriageway road which runs through Harbertonford, making it the most accessible area in the NA.
36. Harberton Parish's boundary (and, therefore, the NA's boundary) was identified from the nomis website.¹
37. For Census purposes, Harberton Parish, like the rest of England, is made up of statistical units called Output Areas (OAs). Harberton Parish equates to the following OAs, which have been used throughout as a statistical proxy for its boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses:
 - E00102004
 - E00102005
 - E00102006
 - E00102007
38. The statistics show that in the 2011 Census Harberton Parish had a total of 1,303 residents, formed into 558 households and occupying 627 dwellings. The difference in the

¹ <https://www.nomisweb.co.uk/> - type 'Harberton' into the 'Local Area Report' box

number of dwellings and households may be explained by the existence of second or holiday homes that have no permanent resident (required for a household to be recorded).

39. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Harberton Parish is 1,359 – indicating population growth of around 56 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.
40. Data provided by SHDC reveals that 23 (net) dwellings have been completed in Harberton Parish between 2011-2021, with the majority of these being conversions of pre-existing agricultural buildings. Of the 23 net dwellings, five related to new holiday lets; this report focusses on residential dwellings, so by removing these five dwellings, it leaves an overall net completions figure of 18. Compared to Harberton Parish's population growth figures in the previous paragraph, it may be concluded that its population has increased at comparable level compared to the number of housing completions between 2011-2021.
41. A map of the NA appears below in Figure 2-1.

Figure 2-1: Map of the Harberton Parish Neighbourhood Area and the four OAs within it (labelled by their last two digits)



Source: Nomis

The Housing Market Area Context

42. Whilst this HNA focuses on Harberton Parish NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas (HMA). HMAs are usually wider than local authority areas and often stretch across several districts or boroughs. This is because HMAs are inherently linked to the labour market, employment patterns and travel to work areas. In the case of Harberton Parish, it sits within the Plymouth HMA, covering Plymouth, West Devon, and SH.² This means that when households who live in these authorities move home, the majority move within this geography. The HMA also has links to other neighbouring areas however, including the adjacent authorities of Torbay and Exeter.
43. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Harberton Parish, are linked to other areas. In the case of Harberton Parish, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. For example, the Plymouth and South West Devon Joint Local Plan 2019 (JLP) specifies several growth areas, including Totnes nearby, that will be targeted for growth. These growth areas may, therefore, lead to a reduction in the need and demand for housing in Harberton Parish.
44. In summary, Harberton Parish functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (South Hams District Council (SHDC)), it is therefore useful to think about the role of the neighbourhood within the wider area. This HNA can provide evidence to understand the role and the specific features of the neighbourhood within this wider context. NPs can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood play within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

45. NPs are required to be in general conformity with the strategic policies in the adopted local plan.³ In the case of Harberton Parish, the relevant adopted Local Plan for SH consists of:
 - The **Plymouth and South West Devon Joint Local Plan (JLP)**: adopted by SHDC on 21 March 2019, Plymouth City Council on 26 March 2019 and West Devon Borough Council on 26 March 2019. The JLP outlines the overarching strategic framework for sustainable growth and the management of change for SH and the other districts. It covers the period 2014-2034.
 - The **Plymouth and South West Devon Supplementary Planning Document (SPD)**: adopted by Plymouth City Council on 22 June 2020, West Devon Borough Council on 9 June 2020 and SHDC on 16 July 2020. The purpose of the SPD is to provide guidance on the implementation of the strategic policies from the JLP.

² Plymouth & South West Devon Joint Local Plan SHMA (2017)

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>

Policies in the adopted local plan

46. Table 2-1 summarises adopted JLP policies that are relevant to housing need and delivery in Harberton Parish.

Table 2-1: Summary of relevant adopted policies in the Plymouth and South West Devon Joint Local Plan and Supplementary Planning Document

Policy	Provisions
Policy SPT2	Neighbourhoods and communities are expected to have a balance of housing types and tenures to support a range of household sizes, ages, and incomes to meet identified housing needs.
Policy SPT3 – Provision for new homes	Provision is made for at least 26,700 dwellings (net) in the Plan Area from 2014 to 2034. In the Thriving Towns and Villages Policy Area, the relevant target is at least 7,700 new homes, of which 2,050 should be affordable.
Policy TTV1 - Prioritising growth through a hierarchy of sustainable settlements	<p>Each settlement within the Plan Area has been assigned a position on a settlement hierarchy, which outlines the level of priority for spatial development in each area. The settlements are placed in one of the following four categories:</p> <ul style="list-style-type: none"> • 'Main towns' - prioritised for growth. • 'Smaller Towns and Key Villages' – these will receive support for growth commensurate with their roles in supporting nearby small villages and hamlets. • 'Sustainable Villages' – development will be driven by locally identified needs and to sustain limited services. • 'Smaller Villages, Hamlets and the Countryside' - development is only permitted if it can be demonstrated to support principles of sustainable development and communities. <p>The villages of Harberton and Harbertonford fall under the 'Sustainable Villages' category. The remaining hamlets within Harberton Parish fall under the 'Smaller Villages, Hamlets and the Countryside' category.</p> <p>Policy TTV1 also defines the local connection policy relevant to new housing developments in Harberton Parish. New houses built in 'Sustainable Villages' may be expected to restrict ownership of housing to households with a local connection '<i>if the proposal is considered detrimental to the housing mix of the parish</i>', whereas new houses in 'Smaller Villages, Hamlets and the Countryside' are expected to restrict ownership in most, if not all, cases to households with a local connection.</p>

Policy	Provisions
Policy TTV25 - Development in the Sustainable Villages	<p>Across all the 'Sustainable Villages' within the JLP Plan Area, a total of 500 new dwellings are sought between 2014 – 2034.</p> <p>Indicative target figures are also provided for each individual Sustainable Village:</p> <ul style="list-style-type: none"> • Harberton – approximately 20 dwellings. • Harbertonford – approximately 30 dwellings. <p>The JLP does not allocate sites in 'Sustainable Villages' or 'Smaller Villages, Hamlets and the Countryside'. Instead, development is expected to be provided through the following routes:</p> <ul style="list-style-type: none"> • Neighbourhood plans. • Development management policies. • Separate planning studies.
Strategic Objective SO9 – Maintaining the viability of the many sustainable villages in the rural area	<p>Strategic Objective SO9 outlines the conditions that development in 'Sustainable Villages' should seek to improve/preserve. The points relevant to housing include:</p> <ul style="list-style-type: none"> • <i>'Delivering a mix of new homes that add diversity and accessibility to the rural housing stock'.</i> • <i>'Strengthening links between our rural settlements and the surrounding landscapes'.</i> • <i>'Protecting and enhancing the local distinctiveness and the historic character of the smaller towns and key villages'.</i>
Policy TTV26 – Development in the countryside	<p>Isolated development in the countryside will only be permitted in certain exceptional circumstances related to rural employment, heritage assets, existing buildings, and developments of exceptional sustainability and design.</p>
Policy TTV27 – Meeting local housing needs in rural areas	<p>Residential development sites adjoining or very near to existing settlements may be permitted if it can be demonstrated that they meet proven need for affordable housing for local people. Under this policy, developments may allocate up to 40% market housing to render the development viable. Dwellings will need to meet the identified need in perpetuity.</p> <p>The policy continues, stating that rural exception sites may be made available for community led housing initiatives, and that new affordable housing in the area <i>'will be subject to eligibility criteria requiring a local connection, and suppressed in value against open market values in perpetuity'.</i></p>

Policy	Provisions
Policy DEV8 – Meeting local housing need in the thriving towns and villages policy area	<p data-bbox="406 264 1394 371">Policy DEV8 outlines the need for housing delivery that targets local need, especially for opportunities to increase home ownership in the area and address the needs for social rented housing.</p> <p data-bbox="406 421 1394 602">No specific housing type/size targets have been set; instead, these should be based on local housing need evidence. Expected key needs include homes that redress an existing imbalance in the housing stock, housing suitable for those with specific needs, and dwellings suited to younger people, working families and older people.</p> <p data-bbox="406 651 1394 833">The SPD states that across the policy area, a minimum of 30% on-site affordable housing will be sought for schemes of 11 or more dwellings. Alternatively, in Designated Rural Areas, all residential developments of 6 - 10 dwellings should provide an off-site commuted sum to deliver affordable housing equivalent to 30% of the dwellings in the scheme.</p> <p data-bbox="406 882 1394 1025">The preferred tenure mix within affordable housing is set out in the SPD. It should split between social rented homes (65%) and affordable home ownership tenures (35%), in line with housing needs evidence.</p>
Policy DEV9 – Meeting local housing need in the Plan Area	<p data-bbox="406 1048 1394 1124">Policy DEV9 provides further guidance on the general provision of housing throughout the Local Plan area:</p> <ul data-bbox="406 1140 1394 1518" style="list-style-type: none"> • <i>'Affordable housing could include social and affordable rent, shared ownership, and innovative housing models that meet the local demand/need, such as rent-to-buy, starter homes and shared equity as appropriate'.</i> • <i>'Self and custom build housing will be supported providing they meet the over-arching sustainable development, general amenity and design policies'.</i> • <i>'The LPAs will support development which increases choice in housing by greater utilisation of the private rented sector, including new build private rented accommodation (Build to Rent)'.</i> <p data-bbox="406 1568 1394 1749">At least 20% of dwellings on schemes of five-or-more dwellings should meet national standards for accessibility and adaptability (Category M4(2)), and at least 2% of dwellings on schemes of 50 or more dwellings should meet national standard for wheelchair users (Category M4(3)).</p>

Source: JLP; SPD

Quantity of housing to provide

47. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the NP period.
48. The JLP has fulfilled that requirement by providing Harberton Parish with an indicative figure of 50 dwellings to be accommodated within the NA by the end of the Local Plan period (2034). This figure is derived from the sum of individual targets set for the villages of Harbertonford (around 30 dwellings) and Harberton (around 20 dwellings). The remaining area within the Parish has not been set any target figures; housing delivery in Harberton Parish's hamlets and other rural areas is expected to be entirely driven by local needs, rather than specific targets for growth.

3. Approach

Research Questions

49. The following research questions were formulated at the outset of the research through discussion with the Harberton Parish Neighbourhood Plan Steering Group (NPSG). They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

50. NPSG 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. NPSG have highlighted concerns that irregular/unstable employment for many of Harberton Parish's residents is limiting their ability to qualify for mortgages, which is a valid consideration here.
51. This evidence will allow Harberton Parish 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.
52. NPSG are interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

RQ1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

Type and Size

53. NPSG is seeking to determine what size and type of housing would be best suited to the local community. This will help to shape future development so that it better reflects what residents need.
54. 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.
55. 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 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.

RQ2: What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is appropriate for the Neighbourhood Area over the Neighbourhood Plan period?

Specialist Housing for Older People

56. 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.

RQ3: What provision should be made for specialist housing for older people over the Neighbourhood Plan period?

Second Homes and Holiday Lets

57. NPSG have expressed concern towards the number of second homes and holiday lets within the area, especially in the village of Harberton. It may be that a rising number of second homes and holiday lets in the area is having an impact on housing affordability as well as the vitality and economic resilience of the local community.
58. This chapter of the HNA will review the evidence relating to the presence and growth of second home ownership in Harberton Parish and draw out any relevant connections to the affordability conclusions made in the preceding chapter and other considerations.

RQ 4: What is the scale and potential impact of the second homes and holiday lets sector on the Harberton Parish housing market, and how might this be addressed through policy?

Relevant Data

59. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from the 2011 Census and a range of other data sources, including:
- Harberton Parish Housing Needs Assessment (Indigo) (2018).
 - Harberton Parish Neighbourhood Plan Consultation Survey (2015).
 - Land Registry data on prices paid for housing within the local market.
 - Local Authority housing waiting list data.
 - ONS population and household projections for future years.
 - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information.
 - Plymouth & South West Devon Joint Local Plan SHMA (2017).
 - Rental prices from Home.co.uk.
60. More recent data sources for the population and existing housing stock will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the tenure of dwellings, cannot accurately be brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

4. RQ1: Tenure, Affordability, and the Need for Affordable Housing

RQ1: 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

61. 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 NP period. The scale of need for these homes can justify planning policies to guide new development.
62. Tenure refers to the way a household occupies their home. In broad terms, 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.
63. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently introduced a new product called First Homes.⁴
64. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:
 - First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home).
 - The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale.
 - After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally.

⁴ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

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

Current tenure profile

65. The current tenure profile is a key feature of the 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.
66. Table 4-1 below presents data on tenure in Harberton Parish compared with SH and England from the 2011 Census, which is the most recent available source of this information.
67. The data shows that the proportion of dwellings in ownership tenures in Harberton Parish (64.7%) is lower than the district's equivalent proportion (71.7%), around seven percentage points fewer. The proportion of ownership tenures in Harberton Parish is more comparable to the national proportion (63.3%), a difference of under two percentage points.
68. The proportion of households on Affordable Housing tenures (Shared Ownership and Social Rent) is marginally lower in Harberton Parish when compared to SH, however, both areas have a significantly lower proportion of households on Affordable Housing tenures compared to the national mix, predominantly due to a lack of Social Rent tenures.
69. Finally, Harberton Parish has a notably higher proportion of private rent tenures (22.8%) compared to the district (around 14.3%) and national mix (around 16.8%).
70. According to SHDC, 18 dwellings were completed between 2011-2021, however their data does not specify a tenure profile for these dwellings (except that none of these completions were available on Affordable Housing tenures). Whilst this means that the tenure profile for Harberton Parish cannot be brought up to date, the low number of

completions are unlikely to affect the general patterns previously discussed. The upcoming 2021 Census data will have a more up-to-date tenure profile for Harberton Parish.

71. 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 2001-2011 Census: in Harberton Parish the private rented sector expanded by 35% in that period, a rate of growth that was slower than experienced at district and national, but still the highest growth of all tenure types within the Parish.

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

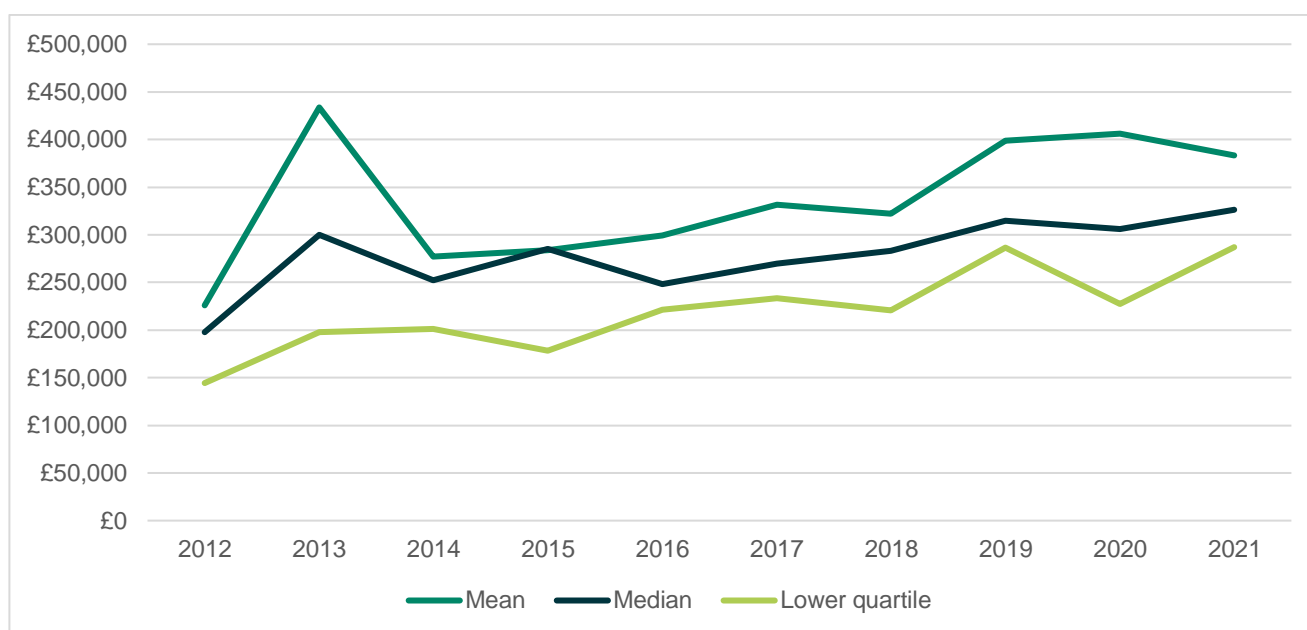
Tenure	Harberton Parish	South Hams	England
Owned	64.7%	71.7%	63.3%
Shared Ownership	2.2%	1.1%	0.8%
Social rented	8.8%	11.4%	17.7%
Private rented	22.8%	14.3%	16.8%

Sources: Census 2011, AECOM Calculations

Affordability

House prices

72. 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.
73. Figure 4-1 below looks at the mean (the average), median (the middle value), and lower quartile (the value below which the lowest 25% of values fall) for house prices in Harberton Parish. Over the 10-year period examined in the graph, house prices have fluctuated but have followed an overall positive trajectory, with the mean house price increasing by 70%. These overall trends find the 2021 mean house price at around £383,575, the median price at £326,250, and the lower quartile at £287,000.
74. Spikes in the graph, such as in 2013, can be explained by outliers that influence the mean in an unrepresentative way due to an overall low number of house sales in Harberton Parish. Therefore, whilst the 2013 mean house price was higher than the 2021 mean house price, this does not mean that the overall housing market has decreased since then. In smaller areas such as Harberton Parish, the median is a better representation of the market trajectory, as this measure is more resilient to impacts of individual outliers within smaller datasets. Between 2012-2013 the median house price rose by 52%, and between 2013-2021 the median house price still increased by 9%. Over the whole observed period, the median house price grew by 65%.

Figure 4-1: House prices by quartile in Harberton Parish, 2012-2021

Source: Land Registry PPD

75. Table 4-2 below presents median house prices in Harberton Parish between 2012-2021, broken down by type. It shows that the median house price growth was not equal between house types. Looking closer at specific housing types reveals that semi-detached housing saw the most growth - around 110%. Terraced and detached housing also grew, but at comparatively modest rates of 61% and 43%, respectively. Flats were the only property type to experience a decline in the table, reducing in value by 47%. This apparent decline in flat prices can be attributed to the issues tied to having a small dataset for housing sales in Harberton Parish –very few flat sales have occurred over this period, and therefore their price has been influenced heavily by size, condition, location and other characteristics, alongside general market conditions.

Table 4-2: Median house prices by type in Harberton Parish, 2012-2021

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£453,500	£743,600	£297,500	£320,000	£432,500	£415,000	£460,000	£427,500	£502,500	£650,000	43.3%
Semi-detached	£180,000	£478,500	£375,000	£310,000	£225,000	£270,000	£240,000	£614,000	£275,000	£377,500	109.7%
Terraced	£190,000	£208,000	£214,000	£249,950	£258,000	£246,250	£240,000	£285,000	£306,000	£305,000	60.5%
Flats	£160,000	-	-	£163,500	-	-	£230,000	-	-	£85,000	-46.9%
All Types	£197,750	£300,000	£252,500	£285,000	£248,450	£270,000	£283,000	£315,000	£306,000	£326,250	65.0%

Source: Land Registry PPD

Income

76. 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.

77. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower

earners). The average total household income before housing costs locally was £42,700 in 2018. A map of the area to which this data applies is provided in Appendix A.

78. 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. SH's gross individual lower quartile annual earnings were £11,689 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £23,378.
79. 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

80. 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.
81. AECOM has determined thresholds for the income required in Harberton Parish 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.
82. 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.
83. Table 4-3 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.
84. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

Table 4-3: Affordability thresholds in Harberton Parish (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? (£42,700)	Affordable on LQ earnings (single earner)? (£11,689)	Affordable on LQ earnings (2 earners)? (£23,378)
Market Housing						
Median House Price	£293,625	-	£83,893	No	No	No
LA New Build Median House Price	£323,100	-	£92,314	No	No	No
LQ/Entry-level House Price	£258,300	-	£73,800	No	No	No
Average Market Rent	-	£12,792	£42,640	Yes	No	No
Entry-level Market Rent	-	£11,796	£39,320	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£205,538	-	£58,725	No	No	No
First Homes (-40%)	£176,175	-	£50,336	No	No	No
First Homes (-50%)	£146,813	-	£41,946	Yes	No	No
Shared Ownership (50%)	£146,813	£4,078	£55,540	No	No	No
Shared Ownership (25%)	£73,406	£6,117	£41,364	Yes	No	No
Shared Ownership (10%)	£29,363	£7,341	£32,858	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£6,456	£21,498	Yes	No	Yes
Social Rent	-	£4,944	£16,462	Yes	No	Yes

Source: AECOM Calculations

85. 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 NP 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

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

87. Private renting is generally only affordable to higher-than-average earners. Households made up of one and two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

88. There is a relatively large group of households in Harberton Parish who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £39,320 per year (at which point entry-level rents become affordable) and £73,800 (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.
89. 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.
90. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. For these calculations, the data suggests that only a 50% discount would reduce house prices to within affordable levels for average earners in the area. However, even with a 50% discount, households made up of two lower quartile earners would still be unable to afford First Homes in the area.
91. Embedded within the calculations in Table 4-3 are estimates for the value of a deposit needed to afford each First Homes and Shared Ownership tenure (see Appendix A for methodology). Listed below are these values (from largest to smallest deposit):
 - First Homes 30% discount: £22,838
 - First Homes 40% discount: £19,575
 - First Homes 50% discount: £16,313
 - Shared Ownership 50% equity: £16,313
 - Shared Ownership 25% equity: £8,156
 - Shared Ownership 10% equity: £3,263
92. It should be noted that whilst deposits are a major element of the affordability calculation, consideration should also be given towards monthly outgoings from mortgages and/or rent, hence the need for overall affordability thresholds. Figure 4-2 outlines the required deposit and income needed to consider each Affordable Housing tenure accessible.
93. Table 4-4 below shows the discount required for First Homes to be affordable to the three income groups. Because it is not possible to estimate the cost of a typical First Home due to a lack of data on new build entry-level house prices in the NA, it is worth considering the discounts required for some additional price benchmarks. The table above uses median house prices in the NA as the best proxy for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing (which would bring the price closer to the price of median existing homes than existing entry-level homes). However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, and of entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

Tenure/product	Mean Income	LQ Income x1	LQ Income x2
NA Median house price	49%	86%	72%
LA New build median house price	54%	87%	75%
NA Entry-level house price	42%	84%	68%

Source: Land Registry PPD; ONS MSOA total household income

94. Shared Ownership appears to be more affordable than First Homes but is broadly accessible to the same groups. The Government has recently announced that the minimum equity share for Shared Ownership will fall to 10% of the property value.⁵ 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.
95. 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.
96. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. On that basis, First Homes and Shared Ownership are around the same level of affordability.
97. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
- First Homes allow for a full 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 must 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.

⁵ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

98. In conclusion, all 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 at 50% discount may provide a better long-term investment to those who can afford to access it.

Affordable rented housing

99. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.
100. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Harberton Parish as the only option for a large segment of those in the greatest need. Social Rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and Social Rents may be irrelevant as the level of housing benefit flexes according to the rent. This mean that households supported by housing benefit may be no better off in Social Rent accommodation because they receive a lower rate of housing benefit to cover their rent.

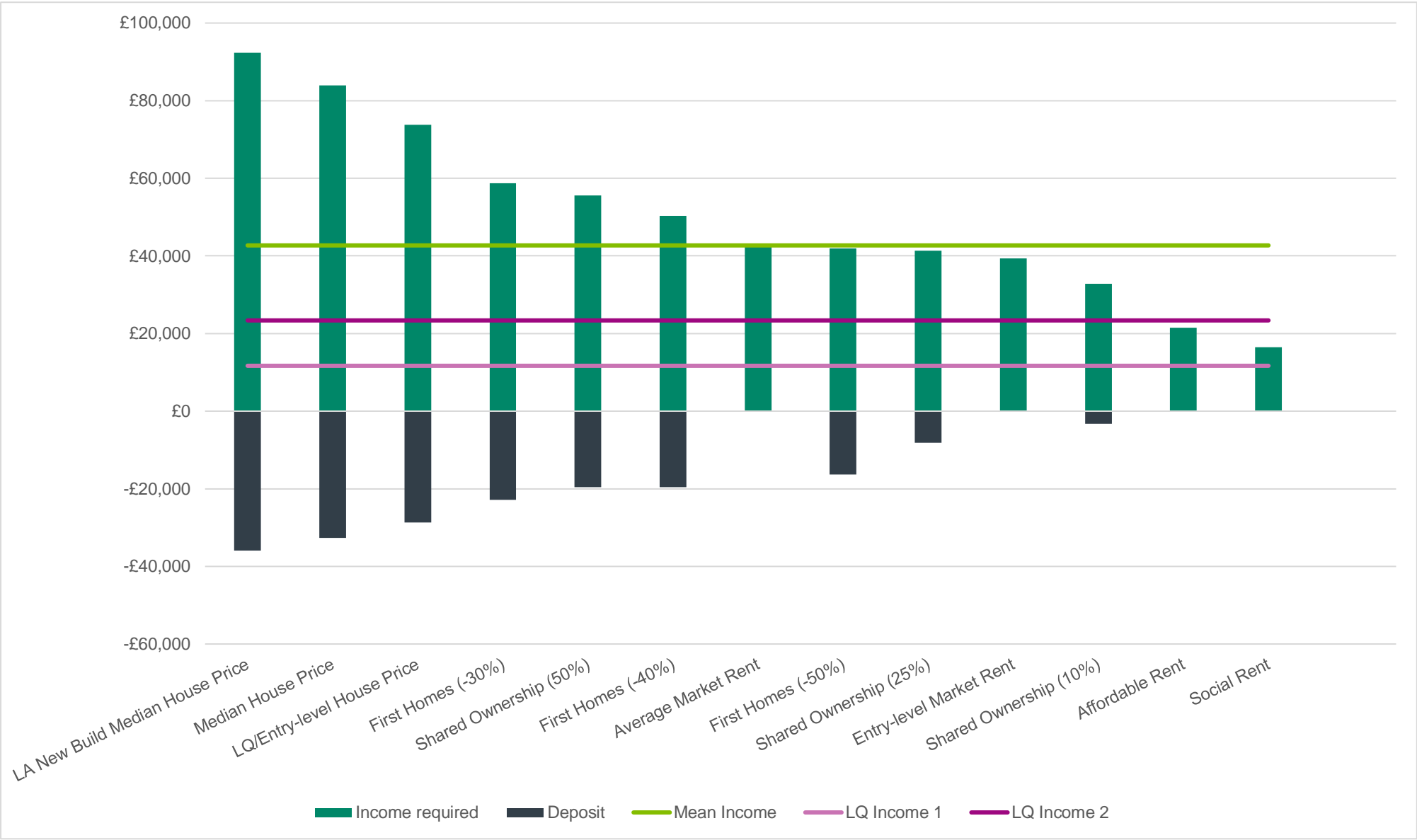
2018 HNA Findings

101. Harberton Parish's previous HNA predicted that affordability and the number of second homes in the area will have the largest impact on future housing need in the area. The evidence from this chapter supports this forecast in relation to affordability, suggesting that it is a serious issue in Harberton Parish in the present, and is a limiting factor for a large proportion of the Parish's population.

2015 NPCS Findings

102. Of the 377 responses to the NPCS, 283 individuals believed that offering 'Affordable housing' was a way to encourage young people to stay in Harberton Parish. This highlights a perception within the Parish that house prices are a key driving factor as to why younger people may move out of the area. Affordability, therefore, is seen as a key issue in the area – this has also been confirmed by the calculations within this chapter.
103. When asked about the type of housing needed in the Parish, the responses indicated strong support towards the need for 'affordable housing (to buy or rent)' and 'shared ownership', and generally responded negatively towards the idea that Harberton Parish needs more 'open market housing'.

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



Source: AECOM Calculations

Affordable housing- quantity needed

104. The starting point for understanding the need for affordable housing in SH is the relevant Strategic Housing Market Assessment (SHMA). A SHMA was undertaken for Plymouth, SH, and West Devon Councils in 2017. This study estimates the need for affordable housing in the three districts based on analysis of the Councils' waiting list and analysis of other data sets in line with Planning Practice Guidance at the time. The SHMA identifies the need for 98 additional affordable homes each year in SH between 2014 - 2034. This need is largely for Social Rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.
105. Moving down to the local scale, the JLP (TTV25) specifies an indicative housing delivery target of around 20 dwellings in Harberton village, and around 30 dwellings in Harbertonford for the period of 2014-2034. The JLP also stresses that the actual delivery of housing in Harberton Parish should be based on needs identified through research such as an HNA.
106. In Table 4-5 below we have calculated, using PPG as a starting point,⁶ an estimate of the total need for affordable rented housing in Harberton Parish over the NP period. This is not equivalent or additional to the overall target discussed above, but has an unspecified degree of overlap with it depending on policy and other factors. It should also be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. For example, Census 2011 data is increasingly out-of-date. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
107. It should also be noted that figures in Table 4-5 are largely dependent on information provided by SH in its capacity as manager of the local housing waiting list. As of March 2022, SHDC have confirmed the following figures:
- The current number of residents on SH's Affordable Housing register looking for a dwelling in Harberton Parish is 28. These fall under the following need bands:
 - Band A: 0
 - Band B: 4
 - Band C: 1
 - Band D: 6
 - Band E: 17
 - Quantity of Affordable Housing re-lets in Harberton Parish: 2 (both bungalows for over 55s).

⁶ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

108. In addition to the SHDC figure of 28 households currently unable to access affordable rented homes, Table 4-5 estimates that around 15 additional households will fall into renting need over the NP period (part 2.3 in Table 4-5). Whilst a turnover of stock is expected to offset some of the demand for affordable renting, the calculations suggest that demand will still outweigh supply, leaving a total need of 19 affordable rented homes over the NP period.

Table 4-5: Estimate of need for Affordable Housing for rent in Harberton Parish by 2037

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	28.0	Data provided by SHDC in February 2022.
1.2 Per annum	1.9	1.1 divided by the plan period 2022-2037
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	77.8	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to NA
2.2 Proportion of new households unable to rent in the market	19.1%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1 Current number of social renters in NA	52.0	2011 Census + LA-level % increase
2.2.2 Number of private renters on housing benefits	37.0	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	14.8	Step 2.1 * Step 2.2
2.4 Per annum	1.0	Step 2.3 divided by plan period 2022-2037
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year
3.2 Supply of social/affordable re-lets (including transfers)	1.6	Step 3.1 x NA social rented stock (2.2.1)
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall shortfall (or surplus) per annum	1.3	Step 1.2 + Step 2.4 - Step 3.2
Overall shortfall (or surplus) over the plan period	19.4	(Step 1.1 + Step 2.3) - Step 3.2 * plan period

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

109. Turning now to Affordable Housing providing a route to home ownership, Table 4-6 below estimates the potential demand in Harberton Parish. This model aims to estimate the number of households might wish to own their own home but cannot afford to – the ‘can rent, can’t buy’ group described in the previous section. The model is consistent with methods used at Local Authority scale in

taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

110. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.⁷ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
111. The result of the calculation is six households per annum who may be interested in affordable home ownership (or 91 for the entirety of the NP period).
112. Again, this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the small number of Shared Ownership in the NA currently.
113. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

⁷ <http://www.ipsos-mori-generations.com/housing.html>

Table 4-6: Estimate of the potential demand for affordable housing for sale in Harberton Parish by 2037

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	154.8	Census 2011 number of renters * national % increase to 2018
1.2 Percentage renters on housing benefit in LA	23.9%	% of renters in 2018 on housing benefit
1.3 Number of renters on housing benefits in NA	37.0	Step 1.1 * Step 1.2
1.4 Current need (households)	88.3	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	5.9	Step 1.4 divided by plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	77.8	LA household projections for plan period (2018 based) pro-rated to NA
2.2 % of households unable to buy but able to rent	17.1%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	13.3	Step 2.1 * Step 2.2
2.4 Total newly arising need per annum	1.0	Step 2.3 divided by plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	16.5	Number of Shared Ownership homes in NA (Census 2011 + LA new build to 2018/19 pro-rated to NA)
3.2 Supply - intermediate resales	0.8	Step 3.1 * 5% (assume rate of re-sale)
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall (or surplus) per annum	6.1	(Step 1.5 + Step 2.4) - Step 3.2
Overall shortfall (or surplus) over the plan period	91.3	(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period

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

114. There is no policy or legal obligation on the part either of the Local Authority or NP to meet affordable housing needs in full, though there are tools available to the NPSG 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).
115. It is also important to remember that even after the NP 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

116. SH's adopted policy on this subject, Policy DEV8, requires a minimum of 30% of all new housing to be affordable on sites of 11 or more dwellings. SHDC data indicates that 18 (net) dwellings have been completed in Harberton Parish between 2011-2021. SHDC have indicated that no new dwellings have been offered as Affordable Housing tenures since 2011, as all the completions have come through small scale developments, falling below the mandatory DEV8 policy threshold.
117. The overall proportion of housing that must be affordable is not an area of policy that a NP 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.
118. 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 specified in the SPD. It states a preferred tenure mix of 65% rent tenures to 35% ownership tenures, but states that the actual delivery should align with local housing needs. The HNA can supply more localised evidence, and this section summarises the factors that might be considered before proposing a suggested Affordable Housing tenure mix that might be suitable for Harberton Parish specifically.
119. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:
- A. **Evidence of need for Affordable Housing:** This study estimates that Harberton Parish requires roughly 19 units of affordable rented housing and could see demand for around 92 units of affordable home ownership over the NP 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 16% of Affordable Housing should be rented and 84% 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, 16% to 84% may be an appropriate affordable tenure mix. However, this is not likely and 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.
- If the minimum JLP target of 30% were achieved on every site, up to around 15 Affordable Homes might be expected in the NA. If the majority

of Harberton Parish's HRF is expected to come forward in the form of small infill developments, those schemes are unlikely to be large enough to meet the threshold of 10 dwellings, above which the Affordable Housing policy applies. If that is the case, the potential delivery of Affordable Housing is likely to be lower still. This may not be sufficient to satisfy the total potential demand for Affordable Housing identified here.

As a result, Affordable Rent housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority. The 65% rented to 35% ownership guideline mix in the SPD may offer an appropriate benchmark.

- C. **Government policy (e.g. NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for Affordable Home ownership tenures. For 10% of all housing to satisfy this requirement in SH, where a minimum of 30% of all housing should be affordable, 33% of Affordable Housing should be for affordable ownership. This does comply with the guideline tenure split sought in the JLP.

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 Harberton Parish would prejudice the provision of much needed affordable rented homes/ delivery 10% or more of homes as Affordable Home ownership would impact on the ability to deliver social/affordable rented homes.

- D. **Local Plan policy:** As noted above, the adopted JLP seeks a tenure split of 65% rent to 35% ownership tenures on Affordable Homes in SH (outlined in the SPD).

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

This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of Social or Affordable Rent if this was proposed to be more than 75% of Affordable Housing. However, this is not an issue for Harberton Parish.

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. The remaining units should then be allocated to other tenure products in the relative proportions set out in the SDP.

AECOM is aware that some Local Planning Authorities are considering 'top slicing' their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. If this was done in SH, the remaining 75% of the affordable housing provision would then be apportioned 65% affordable rent and 35%

affordable home ownership. If this approach is taken, all other things being equal, it would reduce the provision of rented forms of affordable housing since it would effectively protect the provision of other forms of Affordable Home ownership alongside First Homes. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on Shared Ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.

This guidance generally applies to district-level policy, and there may still be potential for a NP 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 JLP 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 NPSG 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 Harberton Parish:** According to the 2011 Census data, approximately 65% all dwellings in Harberton Parish are on ownership tenures - the most common tenure type within the Parish. Private rent, Social Rent, and Shared Ownership accounted for approximately 23%, 9%, and 2% of tenures, respectively. Comparing Affordable Housing tenures to the district's rates, Harberton Parish has a slightly higher rate of Shared Ownership tenures, but a lower rate of Social Rent tenures.

Since 2011, new build completions data suggests that no houses fell under Affordable Housing tenures. Overall, ownership and market tenures dominate Harberton Parish's housing stock in the present day. 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:** NPSG may wish to take account of broader policy objectives for Harberton Parish 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.

120. Based on the considerations above, Table 4-7 below proposes an indicative Affordable Housing tenure mix that might be sought through NP policy.
121. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the overall needs identified here. In this context, affordable rented tenures should be prioritised. The SPD guideline mix of 65% rented to 35% ownership appears to offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally.
122. This guideline split is appropriate for Harberton Parish as it would address just over half of the calculated need for affordable rented housing (18 households) if the minimum 30% Affordable Homes requirement is fulfilled on the indicative 50 dwelling target for Harberton (village) and Harbertonford. A high proportion of Affordable/Social Rent tenures would help those most in need and would also be valuable to some households who prefer the flexibility that renting tenures have over ownership tenures.
123. With there being a serious affordability gap between average earners and the price of home ownership in Harberton Parish, an offering of dwellings on First Homes tenures at 50% discount would be valuable in bringing full ownership tenures to within affordable levels for these households. The downside to First Homes, however, is that a mortgage is likely required – this is an issue that NPSG have expressed concerns about, indicating that many of Harberton Parish's residents may struggle to qualify for a mortgage due to irregular/unstable jobs. Therefore, the First Homes policy is recommended to stay at the minimum 25% of Affordable Housing and has not been suggested to increase. The remaining ownership tenures have each been allocated 5% of the total Affordable Housing in the interests of diversity and maximizing choice; all three Affordable Housing ownership tenure options are generally around the same level of affordability, so it is important to offer a mix of these tenures to suit a range of households' circumstances, with low equity shared ownership and rent to buy having the lowest mortgage requirements.
124. 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, and in particular the views and objectives of the community.
125. Whilst the recommended mix outlined in this report aligns with the JLP's recommended mix, there may be circumstances where NPSG will want to develop policy that deviates from the JLP. If this is desired – 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 SH to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
126. Another option when developing NP 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 based on 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	35%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders, and buyer appetite etc.
Shared Ownership	5%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on Shared Ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	5%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	65%	
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

127. Table 4-8 below summarises Harberton Parish'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 NP period. This exercise simply applies the housing requirement figure for the area to the JLP 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 because of measures taken in the NP (e.g. if the group plan for more housing (and therefore more Affordable Housing) than the Local Plan), or if the group decide to influence the tenure mix in other ways, or because of site-specific constraints.

Table 4-8: Estimated delivery of Affordable Housing in Harberton Parish

	Step in Estimation	Expected delivery
A	Provisional capacity figure	50
B	Affordable housing quota (%) in LPA's Local Plan	30%
C	Potential total Affordable Housing in NA (A x B)	15
D	Rented % (e.g. social/ affordable rented)	65%
E	Rented number (C x D)	10
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	35%
G	Affordable home ownership number (C x F)	5

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

Conclusions- Tenure and Affordability

128. Beginning with housing tenures, this chapter finds that ownership tenures are the most common tenure type in Harberton Parish, at around 65%. Private rent, Social Rent, and Shared Ownership accounted for approximately 23%, 9%, and 2% of tenures in Harberton Parish, respectively.
129. The high rate of ownership tenures, in combination with a rising median house price (which has risen 65% between 2012-2021), has resulted in Harberton Parish becoming a challenging area to get onto the property ladder - average income households would need to earn 99% more income to afford median house prices on market ownership tenures. Households of one and two lower quartile earners are also below the affordability threshold for any market ownership.
130. Market rent in Harberton Parish is more accessible than market ownership, although it is only affordable to average (or higher) earners. Households of one and two lower quartile earners are below the affordability threshold for any market rent.
131. An offering of Affordable Housing tenures will be necessary in Harberton Parish to bring housing to attainable prices for many households of varying ownership/renting aspirations:
- First Homes at 50% would be useful for households aspiring for ownership and have a suitable deposit saved up. First Homes tenures at 50% discount levels are the only way that home ownership can become attainable for average earning households in Harberton Parish.
 - Shared Ownership at 25% or lower equity would also be valuable in bringing ownership tenures to within affordable levels for households on average incomes and lacking funds to put down a deposit required for market or First Homes tenures. Shared Ownership at 25% equity has a similar affordability threshold to First Homes at 50% discount, but may be considered a less

attractive option if applicants had a suitable deposit for the latter. However, Shared Ownership at 10% stands alone as the most affordable route to home ownership in Harberton Parish, making the ownership market available to households earning slightly under the average. Unfortunately, households of one and two lower quartile earners are below the affordability threshold for the maximum First Homes discount and all Shared Ownership tenures.

- A small offering of Rent to Buy will provide value to households on average income or higher who lack sufficient deposits rather than sufficient incomes, or struggle to attain a mortgage.
- Both Affordable Rent and Social Rent packages are vital for households of single individuals on lower quartile income, who without these discounts would be priced out of the area.

132. According to SH data, there are currently 28 applicants on the housing register in Harberton Parish. Over the NP period, our calculations suggest that a further 15 households will fall into need. Overall, this creates a demand of 43 households over the NP period, however, some of this demand will be absorbed by Affordable Housing re-lets. Our calculations suggest that 19 dwellings are needed to satisfy the Affordable Rent need in Harberton Parish by the end of the NP period. A further potential demand for 91 dwellings has been calculated to accommodate households aspiring to move from renting to ownership tenures (although this is much less of a priority compared to Affordable Renting need, and our estimate does not take into account whether those 91 households would all be able to afford the available options).
133. A 65% rent to 35% ownership split is suggested for new Affordable Housing in the area to strike a balance between fulfilling the most important renting needs in the area, whilst also providing a smaller offering of Affordable Homes ownership tenures for households struggling with the affordability thresholds of ownership in the area. This split has been suggested based on AECOM calculations, but also aligns with the target split outlined in the SPD.
134. Under a scenario where a 65% rent to 35% ownership split for Affordable Housing is achieved, and the maximum number of Affordable Housing units are delivered in Harberton village and Harbertonford, Harberton Parish could expect to deliver 10 dwellings on Affordable/Social Rent tenures and five dwellings on ownership tenures.
135. This level of delivery does not meet the total quantity of demand identified in estimates of the need for affordable housing although it is weighted so that priority is given to the acute need for affordable rented properties.

5. RQ2: Type and Size

RQ2: What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is appropriate for the Neighbourhood Area over the Neighbourhood Plan period?

Introduction

136. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Harberton Parish 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.
137. It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The recommendations in this chapter, particularly the final suggested size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

Existing types and sizes

Background and definitions

138. 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.
139. 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. However, it may be appropriate to recommend certain types of houses for reasons such as their relative affordability – with denser housing types usually more affordable compared to less dense types in the same area. As the previous chapter has identified a problem with affordability in Harberton Parish, one way to address that issue could be to recommend denser housing types. This may provide more affordable, and therefore, more appropriate, dwellings for the younger households in the Parish, and may avoid issues associated with younger households being forced to move out of the area.
140. 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.

141. 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.
142. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. Due to Harberton being a small parish, made up of the smallest output areas, the number of usable data sources are limited. Most of analysis in this chapter will be on 2011 Census data and, where possible, more recent completions data provided by SHDC.
143. Many of the tables below rely on 2011 Census data, which is becoming increasingly out-of-date. Where this is the case, the tables should be interpreted with the caveat that conditions may have changed throughout the period of 2011 to the present day, and that these provide an indication of the general trends, but lack full accuracy. The 2021 Census will provide a more up-to-date picture of the housing mix in Harberton Parish on its release.

Dwelling type

144. Table 5-1 presents the recorded dwelling type mix in Harberton Parish using 2011 Census data.
145. It should be noted that there is a discrepancy in the Census data, which suggests that there are 627 dwellings, however when the individual dwelling types are added together, their sum is 624.

Table 5-1: Accommodation type, Harberton Parish, 2011

Dwelling type	2011 (Census)
Flat	44
Terrace	195
Semi-detached	166
Detached	219
Total	627

Source: ONS 2011, AECOM Calculations

146. The data in Table 5-1 shows that Harberton Parish's housing type mix is weighted towards less dense housing types with detached dwellings being the most common type. There is also a notably low number of flats compared to

the other housing types – 44 compared to 150+ for every other type. These trends are unsurprising though for an NA of Harberton Parish's size, population, and rural profile.

147. Based on descriptions of the 18 net completions in Harberton Parish between 2011-2021, provided by SHDC, the majority (if not all) of the new builds are either semi-detached or detached. This indicates that the number of flats has likely not risen by a significant amount since 2011.
148. To understand the mix further, it is useful to look at the percentage breakdown of accommodation types, and compare these to the wider district and country, provided in Table 5-2.

Table 5-2: Accommodation type, Harberton Parish, 2011

Dwelling type		Harberton Parish	South Hams	England
Whole house or bungalow	Detached	34.9%	38.4%	22.4%
	Semi-detached	26.5%	25.5%	31.2%
	Terraced	31.1%	21.8%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	2.2%	7.4%	16.4%
	Parts of a converted or shared house	4.5%	4.7%	3.8%
	In commercial building	0.3%	1.4%	1.0%

Source: ONS 2011, AECOM Calculations

149. The data in Table 5-2 shows that Harberton Parish's mix of detached and semi-detached housing is very similar to the district proportions. They differ though in their proportions of terraced housing and flats – Harberton Parish has a significantly higher proportion of terraced dwellings than SH, but a significantly lower proportion of flats.
150. Harberton Parish's low proportion of flats is also evident when making comparisons to the national average, which has three times more flats than Harberton Parish. The proportions of 'whole house or bungalow' are therefore much higher in Harberton Parish when compared to the national mix.

Dwelling size

151. Table 5-3 presents Census data for the size of properties within Harberton Parish.

Table 5-3: Number of bedrooms in household spaces in Harberton Parish, 2011

Bedrooms	Harberton Parish		South Hams		England	
All categories: no. of bedrooms	558	100.0%	36,858	100.0%	22,063,368	100.0%
No. bedrooms	0	0.0%	40	0.1%	54,938	0.2%
1 bedroom	41	7.3%	3,056	8.3%	2,593,893	11.8%
2 bedrooms	150	26.9%	9,577	26.0%	6,145,083	27.9%
3 bedrooms	199	35.7%	14,441	39.2%	9,088,213	41.2%
4 bedrooms	109	19.5%	7,135	19.4%	3,166,531	14.4%
5 or more bedrooms	59	10.6%	2,609	7.1%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

152. The housing sizes within Harberton Parish are concentrated in the intermediate sizes (two and three-bedroom dwellings), with progressively fewer dwellings as bedroom numbers increase/decrease from these intermediate-sized dwellings.
153. The most common dwelling size in Harberton Parish is three-bedroom, at almost 200 dwellings. The next most common categories were two-bedroom and four-bedroom dwellings, at 150 and 109 dwellings, respectively. The two size categories on the ends of the spectrum have the lowest number of dwellings, at 59 for five-or-more-bedrooms and 41 for one-bedroom.
154. The size mix within Harberton Parish across all categories is very similar to the district mix, with all categories within four percentage points of each other. Harberton Parish's dwelling size mix is also similar to the national mix, however, deviates slightly, having a higher percentage of larger properties (four and five-or-more-bedroom dwellings) in place of one and three-bedroom properties.
155. The total number of dwellings differs between the Census datasets on type and size because the former sums to the total number of dwellings (including vacant homes) and the latter to the total number of households (excluding vacant homes).

Age and household composition

156. Having established the current stock profile of Harberton Parish 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

157. Table 5-4 below shows the most recent estimated age structure of the NA population, alongside 2011 Census figures.
158. Between 2011 and 2020, Harberton Parish's total population has experienced growth of around 4%.

159. In 2011, Harberton Parish's age structure was concentrated towards the young adult/middle-age categories (25-44 and 45-64), jointly accounting for over half of the population. The young adult/middle-age categories account for similar proportions in 2020 as they did in 2011; the 25-44 category increased by around two percentage points, and the 45-64 category decreased by around four percentage points.
160. In 2011, the proportion of individuals below 25 years old was greater than the number of individuals aged above 64 years old. However, between 2011 and 2020, the inverse of this is true. Over the observed period, the 16-24 category saw a decline of around four percentage points in the overall mix, whereas the 65-84 category grew by around seven percentage points. These signs suggest Harberton Parish has a slowly ageing population.
161. 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.
162. 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 5-4: Age structure of Harberton Parish population, 2011 and 2020

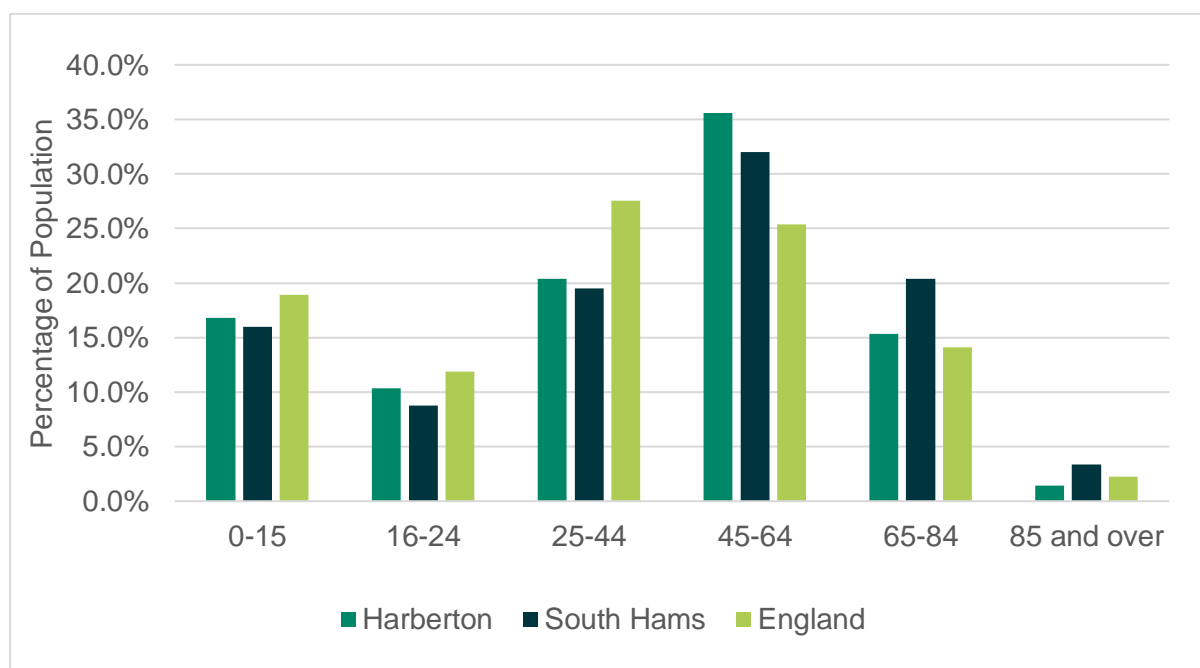
Age group	2011 (Census)		2020 (ONS, estimated)	
0-15	219	16.8%	210	15.5%
16-24	135	10.4%	89	6.5%
25-44	266	20.4%	300	22.1%
45-64	464	35.6%	430	31.6%
65-84	200	15.3%	306	22.5%
85 and over	19	1.5%	24	1.8%
Total	1,303		1,359	

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

163. For context, it is useful to look at the Parish population structure alongside that of the district and country. Table 5-1 below (using 2011 Census data) shows that Harberton Parish's high proportion of middle-aged individuals (45-64) is significantly higher than the national equivalent proportion, and slightly higher than the district proportion.
164. Compared to the district's age structure, Harberton Parish has a slightly higher proportion of individuals in every category up to and including the 45-64 age category. In the 65-84 and 85-and-over age categories it is the opposite, with the proportion of those categories all being higher in SH compared to Harberton Parish. This data indicates that Harberton Parish has a relatively younger age structure than the district, however, based on the 2020 ONS data in Table 5-4,

(which indicates a trend towards an ageing population) this may not be the case anymore.

Figure 5-1: Age structure in Harberton Parish, 2011



Source: ONS 2011, AECOM Calculations

Household composition

165. 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 NP period.
166. Table 5-5 presents household composition data for Harberton Parish, SH, and England from the 2011 Census.
167. Comparing Harberton Parish to SH, Table 5-5 shows that the proportions held by each household type in both areas are similar, with no more than a two-percentage point difference between all the observed main categories. However, looking closer into the sub-categories, some variation can be observed. Harberton Parish has a higher proportion of families 'With dependent children', and a lower proportion of families 'All aged 65 and over'. This would indicate that, at the time, Harberton Parish's population was slightly younger than SH's.
168. When compared to the national figures, Harberton Parish's household composition mix is also very similar – the only notable sub-categories that were different by over one percentage-point was families 'With no children', which was slightly higher in Harberton Parish, and 'Other household types', which was slightly lower in Harberton Parish.
169. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where

young people are financially unable to move out and form their own households. While the data is quite old at this point, it is interesting to observe that this category grew by 44.4% between 2001 and 2011 in the Parish – a faster rate than the district average, which only grew by 16.5% over the same period, and potentially indicative of younger people not being able to afford independent accommodation.

Table 5-5: Household composition, Harberton Parish, 2011

Household composition		Harberton Parish	South Hams	England
One person household	Total	29.0%	30.5%	30.2%
	Aged 65 and over	12.0%	16.2%	12.4%
	Other	17.0%	14.3%	17.9%
One family only	Total	65.2%	64.5%	61.8%
	All aged 65 and over	7.2%	12.1%	8.1%
	With no children	22.6%	21.7%	17.6%
	With dependent children	26.2%	22.4%	26.5%
	All children Non-Dependent ⁸	9.3%	8.2%	9.6%
Other household types	Total	5.7%	5.0%	8.0%

Source: ONS 2011, AECOM Calculations

Occupancy ratings

170. 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.
171. The occupancy rating data, presented in Table 5-6, reveals an overall trend of underoccupancy in Harberton Parish, with around 79% of households having at least one unused bedroom. The 'Family 65+' and 'Family under 65 – no children' households are most likely to have a +2-occupancy rating. These statistics point towards the possibility that larger housing within Harberton Parish is being occupied by the people with the most wealth and/or by older people who have remained within family homes after children have moved out to smaller properties.

⁸ Refers to households containing children who are older than 18 e.g students or young working people living at home.

Table 5-6: Occupancy rating by age in Harberton Parish, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	83.3%	8.3%	8.3%	0.0%
Single person 65+	37.5%	37.5%	25.0%	0.0%
Family under 65 - no children	66.7%	21.2%	12.1%	0.0%
Family under 65 - dependent children	38.0%	36.0%	22.0%	4.0%
Family under 65 - adult children	57.1%	28.6%	14.3%	0.0%
Single person under 65	31.4%	45.7%	22.9%	0.0%
All households	47%	32%	20%	1%

Source: ONS 2011, AECOM Calculations

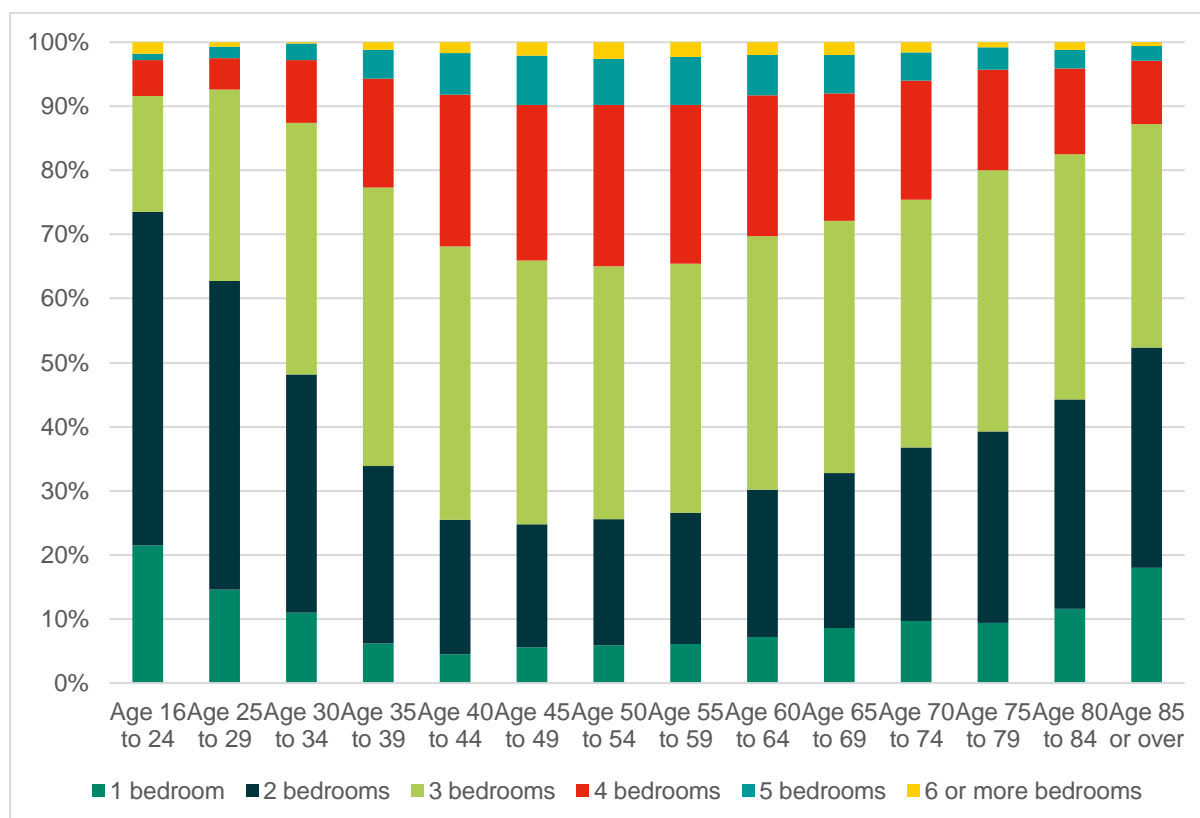
Dwelling mix determined by life-stage modelling

Suggested future dwelling size mix

172. 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 Harberton Parish 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 one-bedroom homes as opposed to two, three or four-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.
173. 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 consider 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.
174. 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.
175. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
176. The first, given as Figure 5-2 below, sets out the relationship between household life stage and dwelling size for SH in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

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

Source: ONS 2011, AECOM Calculations

177. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Harberton Parish households in 2011 and the updated estimates of household numbers described in the bullets above, presented in Table 5-7.

178. Growth in households is expected to vary across the age bands, but generally the population growth can be expected to be driven by the oldest households, especially those in the '...65 and over' category, which is expected to grow 14x faster than the next highest growing age category (which happens to be the second oldest age band, at 4.7%). The three youngest categories are expected to see negative or negligible growth.

Table 5-7: Projected distribution of households by age of HRP, Harberton Parish

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	8	47	200	159	144
2037	7	48	188	166	240
% change 2011-2037	-17.7%	2.8%	-5.9%	4.7%	66.4%

Source: AECOM Calculations

179. The result of this size modelling exercise is presented in Table 5-8 below. The model suggests that the current mix in Harberton Parish is already close to the

optimum proportions that are expected to be needed in 2037. Therefore, it is recommended that there does not need to be any significant changes in the current mix of housing, and that future housing developments should aim to preserve the current mix. Moderate increases to the percentage of 3-bedroom and moderate decrease in the percentage of 5+ bedroom dwellings are recommended; however, each category of dwelling will only need to move a few percentage points to reach the optimum mix. The balance of how new housing developments should be split by size is found in the final column of Table 5-8, with three-bedroom dwellings being a notable priority, ideally accounting for just over 50% of future development.

Table 5-8: Suggested dwelling size mix to 2037, Harberton Parish

Number of bedrooms	Current mix (2011)	Target mix (2037)	Balance of new housing to reach target mix
1 bedroom	7.3%	8.5%	13.4%
2 bedrooms	26.9%	26.0%	18.2%
3 bedrooms	35.7%	39.1%	52.8%
4 bedrooms	19.5%	19.3%	15.6%
5 or more bedrooms	10.6%	7.1%	0.0%

Source: AECOM Calculations

180. It should be noted that it is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.
181. For example, the young starter families and downsizing older households mentioned above may both need 'mid-sized' homes, but are likely to have extremely different requirements and degrees of purchasing power. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing, but additional guidance and prioritisation could be informed by further primary research.
182. The preceding chapter found that affordability is a serious and worsening challenge in Harberton Parish. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type, and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.
183. To best meet the needs of the large cohort of older households expected to be present by the end of the NP period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location, and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial

equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.

184. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the Parish. Reducing the issue of dwelling size to several bedrooms is potentially unhelpful in this case. There may be a strong justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power. This is too speculative to quantify in a percentage size mix, but is among the good reasons not to inhibit any size of dwelling entirely.
185. 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.

2015 NPCS Findings

186. Whilst the NPCS did not explicitly ask about people's dwelling type and size preferences, the Survey did produce results that indicated strong support for appropriate housing for younger households. This is particularly realised through strong support for affordable housing tenures (which are cheaper and, therefore, often utilised by younger households). It is probable that there will be support for housing sizes and types suited to younger households, which tend to be smaller and denser.

Conclusions- Type and Size

187. 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 HMA (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
188. Beginning with housing type, this chapter finds that Harberton Parish's housing mix is weighted towards the less dense housing types, but mostly in line with the district's mix – the two main differences being that Harberton Parish has a notably lower proportion of flats, and a higher proportion of terraced dwellings.
189. This chapter also finds that Harberton Parish's size mix is dominated by intermediate house sizes (two and three-bedroom dwellings), a characteristic that is appropriate for Harberton Parish's population.

190. As with most areas in the UK, Harberton Parish's population is ageing, but remains balanced in the most recently available data. The ageing population is, however, expected to increase into the future, with Harberton Parish's household age bands at 55-64 expected to grow around 4.7%, and 65-and-over household age band expected to grow around 66.4%, by 2037. The other age bands are expected to experience negative or negligible growth by 2037.
191. Between 2001-2011, the household composition that saw the most growth in Harberton Parish was families with non-dependent (older) children, growing by 44.4%. The growth in this household type may be an indicator that supports the previous chapter's conclusions regarding issues with affordability in the area limiting the ability of younger people and new families to get onto the property ladder.
192. The current type mix within Harberton Parish seems well placed to serve the Parish's present day and future needs, given the size of its population and its position within the wider district. However, if desired, there is room to increase the percentage of flats in the area to offer a broader range of housing type options.
193. The current dwelling size mix would also appear to already be well suited to meet Harberton Parish's future needs based on modelling that analyses population change and the existing dwelling stock. However, to achieve Harberton Parish's 'ideal' dwelling mix by 2037, future housing development might attach some priority towards slightly increasing the proportion of three-bedroom dwellings in place of five-or-more-bedroom dwellings in Harberton Parish's overall mix.

6. RQ3: Specialist housing for older people

RQ3: What provision should be made for specialist housing for older and disabled people over the Neighbourhood Plan period?

Introduction

194. This chapter considers in detail the specialist housing needs of older and disabled people in Harberton Parish. 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).
 - 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.
195. 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.
196. 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.
197. 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,⁹ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
198. 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

⁹ 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.¹⁰

199. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹¹ Residences that fall into Use Class C2 (institutions including prisons, boarding schools, and some care homes for the elderly) 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

200. 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>.
201. Table 6-1 below counts a total of 14 units of specialist accommodation in the NA at present, all on Social Rent tenures, located within one development site in Harbertonford.

Table 6-1: Existing specialist housing for the elderly in Harberton Parish

	Name	Description	Bed spaces	Tenure	Type
1	Bow Road/Marl Park	Retirement Housing (60+)	14	Rent (social landlord)	Bungalows (1 & 2 bedroom)

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

202. ONS 2020 population estimates suggest that there are currently around 114 individuals aged 75 or over in Harberton Parish. This suggests that current provision is in the region of 123 units per 1,000 of the 75+ population (a common measure of specialist housing supply).
203. It should be noted that NPSG perceive there to be more than 14 bed spaces for specialist housing for older people, with the figure considered to be closer to 25 units. The actual figure will not affect the calculations within this chapter; however, this demonstrates that provision per 1,000 of the 75+ population may be higher than the calculated 123 units.

Tenure-led projections

204. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across SH, as this is the

¹⁰ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹¹ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

most recent and smallest geography for which tenure by age bracket data is available.

205. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the NP period to 2037. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.

206. According to Table 6-2 below, most households within the 55-75 age bracket outright own their homes, at a proportion of around 59%. A further 22% of households own their home through mortgages/Shared Ownership schemes. This leaves around 19% of households in the 55-75 age bracket having a renting tenure.

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

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
81.2%	59.1%	22.1%	18.8%	9.5%	8.2%	1.1%

Source: Census 2011

207. The next step is to project how the overall number of older people in Harberton Parish is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for SH at the end of the NP 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 below.

208. The data in Table 6-3 reinforces conclusions made throughout this report suggesting that the future population of Harberton Parish will grow older towards the end of the NP period. This is demonstrated by the number of individuals aged 75+ expecting to almost double in size between 2011 and 2037 and account for a larger share of the population mix, increasing by four percentage points.

Table 6-3: Modelled projection of elderly population in Harberton Parish by end of Neighbourhood Plan period

Age group	2011		2037	
	Harberton Parish (Census)	South Hams (Census)	Harberton Parish (AECOM calculation)	South Hams (ONS SNPP 2018)
All ages	1,303	83,140	1,512	96,476
75+	83	9,251	157	17,553
%	6.4%	11.1%	10.4%	18.2%

Source: ONS SNPP 2020, AECOM Calculations

209. A key assumption for the next stages of the calculation is that the older people currently living in Harberton Parish 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).

210. The people whose needs are the focus of the subsequent analysis are therefore the additional 74 individuals expected to join the 75+ age group by the end of the NP 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 SH in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 9,251 individuals aged 75+ and 6,647 households headed by a person in that age group. The average household size is therefore 1.4, and the projected growth of 74 people in Harberton Parish can be estimated to be formed into around 53 households.
211. 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 below. This provides a breakdown of which tenures those households are likely to need.

Table 6-4: Projected tenure of households aged 75+ in Harberton Parish to the end of the Neighbourhood Plan period

Owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All rented	Social rented	Private rented	Living rent free
43	31	12	10	5	4	1

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

212. 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 below presents this data for Harberton Parish 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 Harberton Parish, 2011

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories: Tenure	219	51	23.3%	48	21.9%	120	54.8%
<i>Owned or Shared Ownership: Total</i>	163	27	16.6%	35	21.5%	101	62.0%
Owned: Owned outright	142	25	17.6%	30	21.1%	87	61.3%
Owned: Owned with a mortgage or loan or Shared Ownership	21	2	9.5%	5	23.8%	14	66.7%
<i>Rented or living rent free: Total</i>	56	24	42.9%	13	23.2%	19	33.9%
Rented: Social rented	30	14	46.7%	7	23.3%	9	30.0%
Rented: Private rented or living rent free	26	10	38.5%	6	23.1%	10	38.5%

Source: DC3408EW Health status

213. 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 NP period is 22.
214. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited 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 in Harberton Parish by 2037

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Multiply the number of people 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 people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	11
	4	7	
Adaptations, sheltered, or retirement living	Multiply the number of people 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 people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	11
	2	9	
Total	6	16	22

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

215. 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 below 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.
216. 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

217. As Table 6-3 shows, Harberton Parish is forecast to see an increase of 74 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 = $60 \times 0.074 = 4$
- Leasehold sheltered housing = $120 \times 0.074 = 9$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.074 = 1$
- Extra care housing for rent = $15 \times 0.074 = 1$
- Extra care housing for sale = $30 \times 0.074 = 2$
- Housing based provision for dementia = $6 \times 0.074 = 1$

218. This produces an overall total of 18 specialist dwellings which might be required by the end of the NP period.

219. Table 6-8 below sets out the HLIN recommendations in the same format as Table 6-6 previously. 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 in Harberton Parish by 2037

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	5
	2	3	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	13
	4	9	
Total	6	12	18

Source: Housing LIN, AECOM calculations

2015 NPCS Findings

220. Around 40% of the responses to the NPCS indicated that they either ‘agreed’ or ‘strongly agreed’ that there was a need in the Parish for ‘retirement/warden assisted housing’. A further 27% responded neutrally, leaving a remaining proportion of 33% who ‘disagreed’ or ‘strongly disagreed’. This represents a mixed, but positive-leaning, reception towards the need for housing for older people.

Conclusions - Specialist Housing for Older People

221. This chapter has found that there are 14 confirmed specialist housing units for older people in Harberton Parish, all available on Social Rent tenures. There may also be several other additional specialist housing units for older people, as indicated by NPSG, however these are unconfirmed. Based on the 14 confirmed units, it can be estimated that Harberton Parish’s 75+ population is 114 - this results in Harberton Parish having an offering of around 123 units per 1,000 of the 75+ population.

222. Whilst the provision of specialist units in the present day is assumed to be at a suitable level, this chapter also determines that future development of specialist units will be needed to keep the offering at similar rate, or higher, with future population growth in Harberton Parish expected to be driven by the older population age bands (a theme that was also identified in the previous ‘Type and Size’ chapter). Specifically, the number of 75+ individuals in Harberton Parish is expected to almost double by 2031, and account for around four more percentage points of the total population compared to current levels.

223. 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.

224. These two methods of estimating the future need in Harberton Parish produce a range of 18 to 22 specialist accommodation units that might be required during the NP 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.
225. Regarding the tenure of new specialist housing units (which, as stated above, is currently 100% affordable tenures), the NP may not be able to set the proportion that should be affordable, and therefore the tenure split should align with the JLP (a 70% market to 30% affordable split).
226. Given that there is unlikely to be a large volume of additional specialist supply during the NP period, another avenue open to the NPSG is to discuss the standards of accessibility and adaptability in new development to be met in the JLP with SHDC. The local level evidence supplied in this report could be used to influence district/borough 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 NPs may have limited influence over changes to the existing stock).
227. It is relatively common for Local Plans to require that all or most of the 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. Policy DEV9 in the JLP fulfils this role, requiring that at least 20% of dwellings on schemes of 5 or more dwellings should meet national standards for accessibility and adaptability (Category M4(2)), and at least 2% of dwellings on schemes of 50 or more dwellings should meet national standard for wheelchair users (Category M4(3)).
228. 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 several reasons, as follows:
- So that residents, who often lack cars of their own, can 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.
 - So that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
229. 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 elderly housing needs arising from several different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
230. It is considered that Harberton Parish's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation based

on 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 Harberton Parish entirely within the NA boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Harberton Parish, Totnes is considered to have potential to accommodate the specialist housing need arising from the NA (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the NA itself would not overlap.

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

7. RQ4: Second Homes and Holiday Lets

RQ 4: What is the scale and potential impact of the second home and holiday lets sector on the Harberton Parish housing market, and how might this be addressed through policy?

Introduction

232. NP policies controlling second home ownership are typically evidenced by demonstrating a high or rapidly increasing rate of second home and holiday lets ownership within a context of acute affordability challenges and/or serious constraints on the availability of housing overall.
233. For the purposes of this report, ‘second homes’ refers to dwellings used as a second residence for personal use, whereas ‘holiday lets’ refers to dwellings that are specifically let out and may be classified as businesses for tax purposes depending on the number of days let out. Both have no usual residents and, therefore, are collectively referred to as ‘Dwellings with no usual household residents’.
234. The existence of second homes and holiday lets is not necessarily a problem in and of itself. It becomes a problem when it creates intense competition for local home buyers (or renters), inflates prices, or reduces the resident population to the extent that local services, employment, and community vitality are impacted.
235. Harberton Parish clearly exhibits these wider challenges, with severe affordability issues as demonstrated in earlier chapters, a limited number of suitable sites, high land values, and an attractive second home / tourism offering – with all the infrastructure and other impacts the latter entails. NPSG have raised concerns about the number of second homes and holiday lets throughout the Parish but have highlighted Harberton village as a specific area that they have seen a recent rise in second home ownership.
236. The South Hams and West Devon Housing Strategy 2021-2026 gives prominence to these themes, noting that ‘*8.2% of the total dwellings in the South Hams are second homes with up to 50% in some areas*’, and recognising that the popularity of the area as a place to live and visit has:
- “...had an impact on the affordability levels of housing for local people. Average house prices have continued to rise well beyond the rise in the average local wage, making home ownership an unrealistic aspiration for many people living and working the area today”.*
237. These trends are also echoed in the latest SHMA, which suggests that 10% of SH’s dwellings stock are second homes.

238. This chapter of the HNA gathers the limited available data on the rate of second home and holiday let ownership in Harberton Parish that may be used to support policy decisions in this area.

Existing Policy

239. Within the JLP there is no reference to any second home or holiday let ownership restrictions. There is, however, a relevant local connection policy. This may be useful to acknowledge in this chapter as there are also concerns within the area that those in need of Affordable Housing within the Parish are not having their needs met due to the urgency of housing others from elsewhere in the district. The following passage is taken from Policy TTV1 within the SPD:

‘Housing proposals within the third tier (sustainable villages) may be expected to meet local needs by restricting ownership or occupation to people with a demonstrable local connection if the proposal is considered detrimental to the housing mix of the parish. Fourth tier (smaller villages, hamlets and countryside) of the settlement hierarchy will be expected to meet local needs by restricting ownership or occupation to people with a demonstrable local connection... These restrictions will be written into a s106 agreement attached to the relevant planning permission.’

240. The SPD defines the following conditions to determine whether an individual has a local connection:

- *‘Living and/or working with the parish or adjoining parishes for a minimum of three full years out of the last five’.*
- *‘Living and/or working within the Plan Area for at least five full years out of the last seven’.*
- *‘Living within the parish or adjoining parish for at least eight of the first 16 years of their life’.*
- *‘Living within the Plan Area for at least 12 of the first 16 years of their life’.*

Second Homes and Holiday Lets Data

241. Harberton Parish contained 558 households and 627 dwellings in the 2011 Census, implying that there were 69 dwellings (or ‘household spaces’) with no usual resident household. Therefore, 11% of dwellings had no usual residents – a broad estimate for the proportion of second homes and holiday lets in the area. For comparison, the rate across SH was 7%, and for England the rate was 4%.

242. Whilst the 2011 Census is becoming increasingly out of date, it is a useful indicator towards the general trend that the rate of dwellings that had no usual resident household is heading in Harberton Parish. Using the same method as above, the 2001 Census reveals that around 9% of dwellings in Harberton Parish had no usual resident household. Therefore, between 2001 and 2011 there has been a two-percentage-point increase in the proportion of dwellings with no usual resident household in Harberton Parish.

243. Using other datasets (including the proportion of properties paying business rates instead of council tax), the number of dwellings that had no usual resident household can be split into second homes and holiday lets. This data is correct to the time of writing but has several limitations:
- Most importantly, it only gives an indication of the number of commercially rented units. A holiday let needs to be available for rent 140 days of the year to reach the threshold for business rates. So only the third subcategory of second / holiday homes below would be captured:
 - Second homes that are never rented and only used by the owner.
 - Second homes used by the owner primarily, but also available to rent for part of the year (under 140 days) or rented out informally.
 - Holiday lets with a stronger commercial purpose, available to rent more than 140 days per year.
 - It is likely that the holiday homes counted in the business rates data would also be captured as dwellings with no usual residents in the Census, since owners of second homes including those rented out for holiday lets are obliged to fill out a census return.¹² This indicator is therefore only useful for context and for any indication it may give of growth over time.
 - This data is only provided for medium and lower super output areas. As noted in the Context chapter and illustrated with maps in Figure 2-1, the neighbourhood plan area is composed of 4 OAs. Unfortunately the data is not available for these individual OAs; instead this section will have to pro-rate figures from the smallest available Lower Layer Super Output Area (E01020143 - South Hams 006B) based on the number of households.
244. South Hams 006B had 1,069 dwellings in 2011. Harberton Parish had 627 dwellings in 2011. Therefore, around 59% of dwellings in South Hams 006B fall within Harberton Parish.
245. There are 60 premises with an 'other' business use (any premises not used as retail, office, or industry) in 2011 in South Hams 006B (this figure has remained the same up to the latest year available - 2020). Pro-rating this to Harberton Parish, based on the proportion of dwellings in South Hams 006B, generates an estimate of 35 premises in Harberton Parish that have an 'other' business purpose (59% of 60).
246. The 'other' sector covers a variety of business uses (see Figure 7-1) and its makeup will vary according to the nature of the location.
247. Across South Hams in 2020, there were 2,890 rateable premises in the 'other' sector, of which 1,600 were category '131 holiday homes (self-catering)'. That is 55% of 'other' premises.
248. It can be estimated that 55% of the 35 'other' units in Harberton Parish are holiday lets, equating to 19 properties.

¹² See current guidance for the 2011 Census at <https://census.gov.uk/help/types-of-household-or-accommodation/second-homes-holiday-lets-and-empty-properties/i-have-a-second-property>.

249. Census data combined with up-to-date SHDC completions data, suggests that there are around 645 dwellings in Harberton Parish. Based on this figure, 19 dwellings used as holiday lets represent 3% of all dwellings in Harberton Parish.

Figure 7-1: ONS definitions of 'other' business use categories

Table 1: Sector and sub-sector categories	
Sector	Sub-sector
Retail	Financial and Professional Services
	Shops
Office	Offices
Industry	General Industrial
	Storage & Distribution
	Other
Other	Assembly and Leisure
	Education
	Health
	Hotels, Guest & Boarding, Self-Catering etc.
	Non Residential Institutions
	Offices*
	Other
	Retail
	Residential Institutions
	Storage & Distribution
	Transport
	Utilities

* These are offices that are part of a specialist property, and so have been attributed to "Other" sector rather than the "Office" sector.

Source: ONS

250. Table 7-1 summarises the data above and records the estimated number of second homes and holiday lets in Harberton Parish.
251. Overall, there are 69 dwellings in Harberton Parish that do not have a usual resident household. Our calculations estimate that 19 dwellings in Harberton Parish are used as holiday lets. An estimate for the number of second homes in the area can be gained from subtracting the 19 dwellings from the 69 figure, revealing a total of 50 dwellings used as second homes.

Table 7-1: Estimated number of second homes and holiday lets in Harberton Parish

	Estimated number of dwellings	Percentage of Total Dwellings
Dwellings with no usual household residents (total)	69	11%
Holiday lets	19	3%
Second homes	50	8%

Source: AECOM calculations using 2011 Census and SHDC figures

252. This estimate requires a caveat. The number of second homes in Figure 7-1 may incorporate a number of dwellings that are let out for a number of days below business rates threshold.

2018 HNA Findings

253. Harberton Parish's previous HNA identified that affordability and the number of second homes in the area will have the largest impact on future housing need in the area. The evidence from this chapter supports this forecast (in relation to the number of second homes), suggesting that Harberton Parish has a relatively high proportion of second homes.

Policy Considerations

254. It is worth further emphasising that any principal residence policy explored in the NP should be justified with reference to the evidence supplied in the affordability chapter of this HNA in addition to the limited information reviewed directly above.
255. The affordability evidence establishes a clear context of poor and worsening affordability in Harberton Parish that prevents local people from moving to homes better suited to their needs within the neighbourhood.
256. It is not possible to establish a clear causal link between second home/holiday let ownership and the affordability issues demonstrated elsewhere without up-to-date information on the recent growth of second home/holiday let ownership. However, the circumstantial evidence may be sufficient to justify a preventative policy response that takes newer data into account.
257. One option to make any potential policy as evidence-led as possible might be to make it conditional on the forthcoming 2021 Census data. Census data is currently the most accurate indicator of second home/holiday let ownership, and extremely up-to-date Census information is forthcoming.
258. It is possible to apply principal residence restrictions to development in Harberton Parish if, in the 2021 Census, a certain proportion of housing that is not usually occupied is exceeded, or if a certain rate of increase is observed on the 2011 figures. What those thresholds might be should be determined with reference to the evidence underpinning adopted policies in nearby or similar neighbourhood plans.
259. It might also be helpful to create further flexibility by referring to other up-to-date information in addition to the latest Census in case council tax reporting data starts providing second homes information or any other useful source appears in the meantime.

2015 NPCF Findings

260. When asked about whether new 'open market housing should carry a condition preventing its purchase as a second home', the response was overwhelmingly in favour, with 72% of respondents 'agreeing' or 'strongly agreeing' with the idea. This suggests that there is a perception that the number of second homes or holiday lets is an issue in the local housing market. The figures discussed in this chapter support these concerns, and therefore, may be used to support a second homes policy.

Conclusion - Second Homes and Holiday Lets

261. This section of the HNA considers the current extent of second home and holiday let ownership in Harberton Parish. It finds that there are 69 dwellings with no usual residents in Harberton Parish. It is estimated that 19 of the 69 dwellings are holiday lets, and the remaining 50 dwellings are second homes.
262. There are a limited number of data sources available that are relevant to second homes and holiday lets. Therefore, census data is considered the most accurate and comprehensive secondary source for this indicator. An up-to-date snapshot is imminent, with the results of the 2021 Census to be published in the coming months.
263. There may be scope to reflect the results of the upcoming Census in any potential policy in this subject by making its provisions conditional on an established threshold of second home ownership or rate of increase.
264. Based on the limited evidence within this report, a second homes policy may be appropriate in Harberton Parish if historical rates of second home/holiday let ownership (around 11% in 2011) continue into the present day.

8. Conclusions

Overview

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

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

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	<p>Ownership tenures are the most common tenure type in Harberton Parish, at around 65%. Private rent, Social Rent, and Shared Ownership account for approximately 23%, 9%, and 2% of tenures, respectively.</p> <p>Harberton Parish's high rate of ownership tenures, in combination with a rising median house price (which has risen 65% between 2012-2021), has resulted in the Parish becoming a challenging area to get onto the property ladder - average income households need to earn 99% more income to afford median house prices on market ownership tenures. Households of one and two lower quartile earners are also below the affordability threshold for any market ownership.</p> <p>Market rent in Harberton Parish is more accessible than market ownership, although it is only affordable to average (or higher) earners. Households of one and two lower quartile earners are below the affordability threshold for any market rent.</p> <p>According to SH data, there are currently 28 applicants on the housing register in Harberton Parish. Over the NP period, our calculations suggest that an additional 15 households will fall into need. Overall, this creates a demand of 43 households over the NP period, however, some of this demand will be absorbed by Affordable Housing re-lets. Our calculations suggest that 19 dwellings are needed to satisfy the Affordable Rent need in Harberton Parish by the end of the NP period. A further demand for 91 dwellings has been calculated to accommodate households aspiring to move from renting to ownership tenures (although this is much less of a priority compared to Affordable Renting need, and our estimate does not take into account whether those 91 households would all be able to afford the available options).</p>	<p>First Homes at 50% would be useful for households aspiring for ownership and have a suitable deposit saved up – this is the only discount level that would make full ownership attainable for average earning households.</p> <p>Shared Ownership at 25% or lower equity would also be valuable in bringing ownership tenures to within affordable levels for households on average incomes and lacking funds to put down a deposit required for market or First Homes tenures. Shared Ownership at 25% equity has a similar affordability threshold to First Homes at 50% discount, but may be considered a less attractive option if applicants had a suitable deposit for the latter. However, Shared Ownership at 10% stands alone as the most affordable route to home ownership in Harberton Parish, making the ownership market available to households earning slightly under the average. Unfortunately, households of one and two lower quartile earners are below the affordability threshold for the maximum First Homes discount and all Shared Ownership tenures.</p> <p>A small offering of Rent to Buy will provide value to households on average income or higher who lack sufficient deposits rather than sufficient incomes, or struggle to attain a mortgage.</p> <p>Both Affordable and Social Rent packages are vital for households of singles individuals on a LQ income, who without these discounts would be priced out of the area.</p> <p>A 65% rent to 35% ownership split is suggested for new Affordable Housing in the area to strike a balance between fulfilling the most important renting needs in the area, whilst also providing a smaller offering of Affordable Homes ownership tenures for households struggling with the affordability thresholds of ownership in the area. This split has been suggested based on AECOM calculations, but also aligns with the target split outlined in the SDP.</p> <p>Under a scenario where a 65% rent to 35% ownership split for Affordable Housing is achieved, and the maximum number of Affordable Housing units are delivered, Harberton Parish could expect to deliver 10 dwellings on Affordable/Social Rent tenures and five dwellings on ownership tenures.</p>

Housing type and size	<p>Harberton Parish's housing type mix is weighted towards denser housing types, but remains mostly in line with the district's mix – the only major difference is that Harberton Parish has a notably lower proportion of flats, and a higher proportion of terraced dwellings.</p> <p>Harberton Parish's housing size mix is dominated by intermediate-sized houses (two and three-bedroom), a characteristic that is suitable for Harberton Parish's current population.</p> <p>As with most areas in the UK, Harberton Parish's population is ageing, but remains balanced in the most recently available data. The ageing population is, however, expected to increase into the future, with Harberton Parish's household age bands at 55-64 expected to grow around 4.7%, and 65-and-over household age band expected to grow around 66.4%, by 2037. The younger age bands are expected to experience negative or negligible growth over the same period.</p> <p>Between 2001-2011, the household composition that saw the most growth in Harberton Parish was families with non-dependent (older) children, growing by 44.4%. The growth in this household type may be an indicator that supports the previous chapter's conclusions regarding issues with affordability in the area limiting the ability of younger people and new families to get onto the property ladder.</p>	<p>The current type mix within Harberton Parish seems well placed to serve the Parish's present day and future needs, given the size of its population and its position within the wider district. However, if desired, there is room to increase the percentage of flats in the area to offer a broader range of housing type options.</p> <p>The current dwelling size mix would also appear to already be well suited to meet Harberton Parish's future needs based on modelling that analyses population change and the existing dwelling stock. However, to achieve Harberton Parish's 'ideal' dwelling mix by 2037, future housing development might attach some priority towards slightly increasing the proportion of three-bedroom dwellings in Harberton Parish's overall mix.</p>
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Specialist housing for older people	<p>There are 14 confirmed specialist housing units for older people in Harberton Parish, all available on Social Rent tenures. There may also be several other additional specialist housing units for older people, as indicated by NPSG, however these are unconfirmed. Based on the 14 confirmed units, it can be estimated that Harberton Parish's 75+ population is 114 - this results in Harberton Parish having an offering of around 123 units per 1,000 of the 75+ population.</p> <p>Whilst the provision of specialist units in the present day is assumed to be at a suitable level, this chapter also determines that future development of specialist units will be needed to keep the offering at similar rate, or higher, with future population growth in Harberton Parish expected to be driven by the older population age bands (a theme that was also identified in the previous 'Type and Size' chapter). Specifically, the number of 75+ individuals in Harberton Parish is expected to almost double by 2031, and account for around four more percentage points of the total population compared to current levels.</p> <p>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.</p>	<p>The two methods of estimating the future specialist need in Harberton Parish produce a range of 18 to 22 specialist accommodation units that might be required during the NP 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.</p> <p>Regarding the tenure of new specialist housing units, the NP may not be able set the proportion that should be affordable, and therefore the tenure split should align with the JLP (a 70% market to 30% affordable split).</p> <p>Given that there is unlikely to be a large volume of additional specialist supply during the NP period, another avenue open to the NPSG is to discuss the standards of accessibility and adaptability in new development to be met in the JLP with SHDC. The local level evidence supplied in this report could be used to influence district/borough 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 NPs may have limited influence over changes to the existing stock).</p> <p>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 elderly housing needs arising from several different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).</p> <p>It is considered that Harberton Parish's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation based on the accessibility criteria and the considerations of cost-effectiveness. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Harberton Parish entirely within the NA boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Harberton Parish, Totnes is considered to have potential to accommodate the specialist housing need arising from the NA (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the NA itself would not overlap.</p>
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Second Homes and Holiday Lets	There are 69 dwellings with no usual residents in Harberton Parish. It is estimated that 19 of the 69 dwellings are holiday lets, and the remaining 50 dwellings are second homes.	<p>There are a limited number of data sources available that are relevant to second homes and holiday lets. Therefore, census data is considered the most accurate and comprehensive secondary source for this indicator. An up-to-date snapshot is imminent, with the results of the 2021 Census to be published in the coming months.</p> <p>There may be scope to reflect the results of the upcoming Census in any potential policy in this subject by making its provisions conditional on an established threshold of second home ownership or rate of increase.</p> <p>Based on the limited evidence within this report, a second homes policy may be appropriate in Harberton Parish if historical rates of second home/holiday let ownership (around 11% in 2011) continue into the present day.</p>
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Recommendations for next steps

267. This Neighbourhood Plan housing needs assessment aims to provide Harberton Parish 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 SHDC 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 SHDC.
- The views of local residents.
- The views of other relevant local stakeholders, including housing developers and estate agents.
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by SHDC.

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

269. 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, SHDC or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

270. 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

271. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Plan area. Such data is available at Middle Layer Super Output Area (MSOA) level but not at the level of neighbourhood plan areas.

272. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Harberton Parish, it is considered that MSOA E02004194 (South Hams 006) is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of South Hams 006 appears below in Figure A-1.

Figure A-1: Map of E02004194 (South Hams 006), used as a geographical proxy for the Neighbourhood Area



Source: Nomis

A.2 Market housing

273. Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.
274. 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

275. 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.
276. 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 Harberton Parish, 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.
277. The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2020) = £326,250
 - Purchase deposit at 10% of value = £32,625
 - Value of dwelling for mortgage purposes = £293,625
 - Divided by loan to income ratio of 3.5 = purchase threshold of £83,893
278. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2020 was £287,000, and the purchase threshold is therefore £73,800.
279. Finally, it is worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 0 sales of new build properties in the NA in 2020 and 2021. As there is no data on the price of new builds in Harberton Parish from the past two years, the relevant calculations within this chapter will rely on the £326,250 figure as a proxy for the cost of entry-level new build housing, under the assumption that new build entry-level homes will cost

around the same as a median existing home because of the premium usually associated with new housing.

ii) Private Rented Sector (PRS)

280. 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.
281. 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.
282. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Plan area.
283. According to [home.co.uk](https://www.home.co.uk), there were five properties for rent at the time of search in March 2022, with an average monthly rent of £1,066. There were three two-bed properties listed, with an average price of £983 per calendar month.
284. The calculation for the private rent income threshold for entry-level (two-bed) dwellings is as follows:
- Annual rent = £983 x 12 = £11,796
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £39,320
285. The calculation is repeated for the overall average to give an income threshold of £42,640.

A.3 Affordable Housing

286. 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

287. 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.

288. 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 Harberton Parish. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for SH in the table below.
289. 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	£85.16	£92.78	£102.84	£113.70	£95.07
Annual average	£4,428	£4,825	£5,348	£5,912	£4,944
Income needed	£14,746	£16,066	£17,808	£19,688	£16,462

Source: Homes England, AECOM Calculations

ii) Affordable rent

290. 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).
291. 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%.
292. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for SH. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
293. Comparing this result with the average two-bedroom annual private rent above indicates that affordable rents in the NA are very close to the mandated proportion of 80%.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£92.03	£117.00	£139.52	£171.78	£124.15
Annual average	£4,786	£6,084	£7,255	£8,933	£6,456
Income needed	£15,936	£20,260	£24,159	£29,745	£21,498

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

294. 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.

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

First Homes

296. 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.

297. The starting point for these calculations is therefore the estimated cost of new build housing in Harberton Parish, using the median house price in 2020 as a proxy for this value, noted above of £326,250.

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

- Value of a new home (LA average) = £326,250
- Discounted by 30% = £228,375
- Purchase deposit at 10% of value = £22,838
- Value of dwelling for mortgage purposes = £205,538
- Divided by loan to income ratio of 3.5 = purchase threshold of £58,725

299. 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 £50,336 and £41,946 respectively.

300. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
301. 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 two-bedroom home (assuming 70 sq m and a build cost of £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in Harberton Parish.

Shared Ownership

302. 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'.
303. 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.
304. To determine the affordability of Shared Ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
305. The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £326,250 is £81,563
 - A 10% deposit of £8,156 is deducted, leaving a mortgage value of £73,406
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £20,973
 - Rent is charged on the remaining 75% Shared Ownership equity, i.e. the unsold value of £244,688
 - The estimated annual rent at 2.5% of the unsold value is £6,117

- This requires an income of £20,391 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent)
- The total income required is £41,364 (£20,973 plus £20,391)

306. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £55,540 and £69,717 respectively.

307. These figures suggest that income thresholds within Harberton Parish remain below the £80,000 cap for eligible households.

Rent to Buy

308. 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)

309. 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.

310. 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 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 methods¹³.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard¹⁴

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.

¹³ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

¹⁴ 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 principle forms of community-led models include cooperatives, co-housing communities, self-help housing, community self-build housing, collective custom-build housing, and community land trusts. By bringing forward development which is owned by the community, the community can 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 Order¹⁵

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 can prepare community right to build orders.

Concealed Families (Census definition)¹⁶

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

Equity Loans/Shared Equity

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

¹⁵ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

¹⁶ 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 can live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area (HMA)

An HMA 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 HMAs overlap.

The extent of the HMAs 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 based on 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 HMA.

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 years¹⁷, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

¹⁷ 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 Housing¹⁸

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

¹⁸ 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 HMA. The NPPF makes clear that SHMAs should identify the scale and mix of housing and the range of tenures the local population is likely to need over the Plan period. Sometimes SHMAs are combined with Economic Development Needs Assessments to create documents known as HEDNAs (Housing and Economic Development Needs Assessments).

Specialist Housing for the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.¹⁹

¹⁹ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

