

Harberton Parish Neighbourhood Area

Housing Needs Assessment (HNA)

April 2025

AECOM

Delivering a better world

Quality information

Prepared by

Antonio Vinti
Environmental
Consultant

Checked by

Paul Avery
Principal Housing
Consultant

Approved by

Una McGaughrin
Technical Director

Revision History

Revision	Date	Authorized	Position
1. First Draft	27.02.2025	A.V.	Environmental Consultant
2. Internal Review	07.03.2025	P.A.	Principal Housing Consultant
3. Group Review	24.03.2025	C.R.	Harberton Parish Clerk
4. Locality Review	24.04.2025	M.G.	Neighbourhood Planning Officer
5. Final Report	28.04.2025	U.M	Technical Director

Prepared for: Harberton Parish Neighbourhood Plan Steering Group

Prepared by:

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

© 2025 AECOM Limited. All Rights Reserved.

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

Table of Contents

1. Executive Summary	iv
2. Context.....	1
3. Objectives and Approach	5
4. Affordability and Affordable Housing	8
5. Housing Mix: Type and Size.....	25
6. Specialist Housing for Older People.....	38
7. Second Homes.....	47
8. Next Steps.....	52
Appendix A : Assessment geography	53
Appendix B : Local Plan context.....	55
Appendix C : Affordability calculations.....	58
Appendix D : Affordable Housing need and policy.....	65
Appendix E : Specialist housing for older people	71
Appendix F : Housing Needs Assessment Glossary	73

List of acronyms used in the text:

HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the neighbourhood area is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LA	Local Authority
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
LSOA	Lower Layer Super Output Area
MHCLG	Ministry of Housing, Communities, and Local Government
MSOA	Middle Layer Super Output Area
NP	Neighbourhood Plan
NPCS	Neighbourhood Plan Consultation Survey (2015)
NPPF	National Planning Policy Framework
OA	Output Area
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1.1. Affordability and Affordable Housing

Current tenure profile

- 1.1.1. In Harberton Parish, home ownership is the most common tenure type, comprising 67.8% of the total mix. The next most common tenure is private renting, which accounts for 22.7%. Together, these market tenures account for approximately 90% of all tenures in Harberton Parish. The remaining 10% of the tenure mix is largely made up of social rent tenures (7.9%), with a smaller portion allocated to shared ownership tenures (1.6%).
- 1.1.2. Harberton Parish's tenure profile is similar to that of South Hams and England. However, within the district, the neighbourhood area shows a slightly higher proportion of private renting at the expense of market ownership and social rent tenures. Compared to the national average, Harberton Parish has a significantly lower proportion of social rented tenures, resulting in higher proportions of other tenure types.

Affordability

- 1.1.3. The latest available data suggests that the average household income in the area was £46,400 in 2020 (the most recent year for this dataset). The annual lower quartile earnings for individual earners in South Hams in 2023 was £14,555 (when multiplied by two for dual lower earning households, this figure becomes £29,110).
- 1.1.4. Affordability in the open housing market is an issue in the neighbourhood area, with average income households only able to afford entry-level market rent.

The need for Affordable Housing

- 1.1.5. An offering of Affordable Housing tenures will be necessary in Harberton Parish to make housing more accessible to a larger group of households with varying home ownership/renting aspirations:
 - Based on our estimated value of entry-level new build sales for Harberton Parish in 2024, First Homes discounts of 40% and 50% would make home ownership affordable to average earning households.
 - Entry-level shared ownership tenures offered at 50%, 25% and 10% equity shares are also all considered to be affordable for average earning households (the 10% equity level is also considered affordable for households of two lower quartile earners) in Harberton Parish.
 - A small offering of Rent to Buy tenures may be useful for households who lack sufficient deposits rather than sufficient incomes; however, this would be the most expensive 'affordable' tenure; and

- Social Rent tenures are vital for households of one lower quartile income earner, who without these discounts would likely be priced out of the area.

Affordable Housing policy

- 1.1.6. AECOM calculations suggest there is a need for less than one additional affordable rented home per annum and seven additional dwellings in affordable ownership tenures per annum in Harberton Parish over the neighbourhood plan period.
- 1.1.7. When considered in isolation, the calculated need figures would suggest that the neighbourhood area requires a higher weighting towards affordable ownership than affordable rent. However, this does not reflect the circumstances of households in the present day waiting for affordable renting (who may be waiting many years to be housed if solely relying on re-lets). Therefore, there is still value in placing higher priority on affordable rented than affordable ownership in the neighbourhood area.
- 1.1.8. The preferred tenure mix in the adopted Local Plan (the JLP) is 65% social/affordable rented and 35% affordable home ownership. This appears to offer a suitable benchmark for Harberton Parish because it prioritises the delivery of Social/Affordable Rent and also provides scope to deliver affordable home ownership products.
- 1.1.9. Regarding general affordability in the open market, AECOM's analysis also suggests that it may be beneficial for the neighbourhood plan to support the addition of denser mainstream housing that meets standard quality requirements. It may also be appropriate to address this issue by prioritising the delivery of small-to-medium-sized dwellings, which tend to be cheaper than larger dwellings built to the same standard (see **Chapter 5** for further analysis on housing type and size).

1.2. Housing Mix: Type and Size

The current housing mix - type

- 1.2.1. The 2021 Census indicates a relatively balanced distribution across three of the four accommodation types in Harberton Parish - detached, semi-detached, and terraced - which each account for 25% to 35% of the total housing stock. In contrast, flats make up only 6%, standing out as a clear outlier in the mix.
- 1.2.2. The proportions of detached and semi-detached dwellings in the neighbourhood area closely align with those at the district level. However, the proportion of flats at the district scale is roughly twice as high as in the neighbourhood area, indicating a notable difference in housing composition.
- 1.2.3. Compared to the national profile, the neighbourhood area's dwelling mix differs significantly. Across England, housing types are more evenly distributed, with semi-detached homes being the most common type, whereas in the neighbourhood area, they rank third in prevalence. This suggests that the local housing stock is weighted more toward detached and terraced homes than the national average.

The current housing mix - size

- 1.2.4. The 2021 Census shows the most common dwelling size in Harberton Parish is three bedrooms, accounting for 35% of the total housing stock. Four-or-more-bedroom and two-bedroom dwellings make up slightly smaller proportions, at 29% and 27%, respectively. One-bedroom dwellings are the least common, representing 9% of the total mix.
- 1.2.5. Harberton Parish's dwelling size distribution closely aligns with that of South Hams, with the only notable difference being a slightly higher proportion of three-bedroom dwellings at the district level.
- 1.2.6. Compared to the national housing mix, Harberton Parish has a slightly smaller overall dwelling size profile, with higher proportions of one- and two-bedroom homes and lower proportions of three- and four-or-more-bedroom properties. This suggests that housing in Harberton Parish may be more oriented towards smaller households compared to the national average.
- 1.2.7. There is an overall trend of underoccupancy in Harberton Parish, with around 80% of households having at least one unused bedroom, suggesting that the neighbourhood area's larger dwelling stock is not being occupied efficiently. This fact may support the provision of additional smaller dwellings (two or three bedrooms) in the neighbourhood area to enable over-occupying households to downsize.

Population characteristics

- 1.2.8. According to the 2021 Census, the majority of the neighbourhood area's population falls in the older working-age bracket (45-64) and the first older age category (65-84), accounting for 34% and 24% of the total population, respectively.
- 1.2.9. The least common age brackets were 85 and over and 15-24, both accounting for under 10% of the neighbourhood area's population. The reason for these relatively low proportions could be that these two population groups are forced to migrate out of the neighbourhood area to seek specialist housing for older people, education/job opportunities, or more affordable housing.
- 1.2.10. The rest of the population is found in the 0-14 and 25-44 age categories, accounting for 14% and 20% of the neighbourhood area's population, respectively.
- 1.2.11. Between 2011 and 2021, a clear trend of an ageing population in Harberton Parish has emerged. The two youngest age categories declined, while the working-age groups remained stable. In contrast, the two oldest age categories saw significant growth, indicating a shift towards an older demographic profile.

Future population and size needs

- 1.2.12. To achieve its 'ideal' dwelling size mix by 2036, future housing delivery might prioritise three-bedroom dwellings, complimented by a smaller offering of two-bedroom dwellings.

- 1.2.13. Development, however, should not be too strictly limited to specific dwelling sizes. It will still be appropriate to offer a range of dwelling sizes in new developments so that a variety of households' needs can be accommodated.
- 1.2.14. Other factors should also be considered in determining the dwelling mix that is desirable in the neighbourhood area 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 neighbourhood area or site within the wider housing market area (linked to any Local Authority strategies or plans), strategic goals of the Neighbourhood Plan, and site-specific factors. For example, affordability has been identified as a serious issue in the neighbourhood area (see **Chapter 4**). Therefore, this might justify the provision of additional smaller (cheaper) dwellings in any future development. Also, if the aim of the neighbourhood plan is to attract more younger households to the neighbourhood area, offering more smaller-sized dwellings would support this goal. Furthermore, this would help address need associated with an ageing population, which is expected to be a significant trend in Harberton Parish (see **Chapter 6**).

1.3. Specialist Housing for Older People

Current stock and demographics

- 1.3.1. There are currently 14 units of specialist housing for older people in Harberton Parish, meaning that the neighbourhood area has provision in the region of 136 units per 1,000 of the 75+ population (which is slightly under the national average).
- 1.3.2. In Harberton Parish, the number of 75+ individuals is expected to grow by around 40% by 2036, and account for approximately three more percentage points in its current share of the population mix. Without development of appropriately priced specialist housing in Harberton Parish, it is likely that those in need will be forced to move out of the neighbourhood area.
- 1.3.3. In 2021 the proportion of individuals aged 75+ in Harberton Parish was 9.1%. This is lower than the rate in South Hams (13.1%) but slightly higher than the rate in England (8.6%). Population projections indicate that the percentage of individuals aged 75+ will increase at a similar rate across Harberton Parish, South Hams, and England. Consequently, Harberton Parish's rate is projected to remain lower than that of South Hams but higher than the national average.

Need for specialist housing for older people

- 1.3.4. This chapter estimates that potential overall need for specialist accommodation is around 13 units by the end of the Neighbourhood Plan period.
- 1.3.5. Regarding the tenure, the majority of this need is for units in market tenures, while there is an almost equal need for 'housing with care' and 'adaptations, sheltered, or retirement living' units.

Need for additional care home units

- 1.3.6. Our calculations (which do not consider tenure types) suggest that an additional three residential care beds and two nursing care beds care home units would be needed in Harberton Parish to accommodate any need that may arise over the Neighbourhood Plan period.

Alternative solutions

- 1.3.7. Given that there is unlikely to be a large volume of additional specialist supply during the Neighbourhood Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Joint Local Plan (the JLP) with South Hams District Council.
- 1.3.8. The current adopted JLP policy - DEV9 - provides explicit encouragement for development to accommodate specific groups such as older people, requiring that 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)). The evidence gathered in this section could support exceeding this aspiration.

1.4. Second homes

Dwellings with no usual households

- 1.4.1. According to the 2021 Census, the Harberton Parish has 611 households and 661 dwellings, implying 50 dwellings (or 'household spaces') with no usual household, accounting for 8% of all housing. The equivalent rate for South Hams and England in 2021 was 15% and 6%, respectively.

Long term rent vs holiday let

- 1.4.2. The estimated average monthly rent for a holiday let in Harberton Parish, assuming it is rented back-to-back at the same summer rate throughout the year (which is not guaranteed), is £4,340. The income (exclusive of any related costs) from a holiday let would be three times greater than that from a longer-term private rental, which may make the area an attractive location for holiday lets.
- 1.4.3. However, while the potential income difference is clear to see above, there are other factors to be taken into consideration. These include the fact that holiday lets may not be occupied for the whole year, as well as running and maintenance costs (which would be associated with both holiday lets and private rentals), and the greater amount of work potentially required with holiday lets in terms of weekly cleaning and booking administration.

Policy Considerations

- 1.4.4. The affordability evidence establishes a clear context of poor and worsening affordability in Harberton Parish.
- 1.4.5. While it is difficult to establish a direct causal link between second home ownership and declining affordability, the proportion of properties with no usual residents in Harberton Parish (8%) is higher than the national average (6%). Although this difference is modest, it suggests that second homeownership may still be a contributing factor, particularly in the context of South Hams, where the rate is significantly higher at 15%.
- 1.4.6. Although the number of holiday lets in Harberton Parish may be lower than in other parts of the district, AECOM advises that a Principal Residence Policy or similar measure could still provide tangible benefits in managing housing pressures if deemed to be justified. Given the existing affordability challenges and the potential impact of second homes, implementing such a policy would be a proactive step toward ensuring housing remains accessible for local people. As this policy is developed, the group should consider refining its approach should new data emerge - such as more precise figures on second homeownership - to better respond to market changes and housing needs.

2. Context

2.1. Local context

- 2.1.1. The Harberton Parish Neighbourhood Plan area is located in the district of South Hams in Devon. The neighbourhood area boundary aligns with the existing boundary of Harberton Parish and was designated in 2013.
- 2.1.2. The Harberton Neighbourhood Plan aims to guide positive change in Harberton parish in the period 2024-2034, therefore covering a period of 10 years. The evidence supplied in this report will look ahead to the Plan end date of 2034, but where possible will also provide annualised figures which can be extrapolated to a different term if the Neighbourhood Plan period changes.
- 2.1.3. Harberton Parish is a rural parish, with the majority of its land comprising open fields used for agriculture. Spatial development within the Parish is primarily concentrated around the two villages within the neighbourhood area: Harberton village, located at its centre, and the village of Harbertonford, situated towards the south. Additionally, there are several small hamlets scattered throughout the area, including East Leigh and West Leigh.
- 2.1.4. Amenities across Harberton Parish are limited; however, Harbertonford is relatively well-served compared to the rest of the neighbourhood area, with the majority of its facilities located there. These include a post office, a church, a football club, and a petrol station. Harbertonford is also home to the parish's only school, Harbertonford Church Of England Primary School. The village of Harberton offers a smaller range of amenities, including a free house, a parish hall, and a church.
- 2.1.5. Public transport access within the neighbourhood area is limited, particularly outside the two main villages, which are the only areas served by bus routes connecting to the market town of Totnes. Most of the neighbourhood area is accessible by car; however, access is largely restricted to narrow, single-track country lanes. The only notable exception is the A381, a single-carriageway road running through Harbertonford, making it the most accessible part of the neighbourhood area.
- 2.1.6. In 2022, AECOM produced a Housing Needs Assessment (HNA) for Harberton Parish. As the 2021 Census data had not yet been released, that report relied on data from the 2011 Census. This updated HNA incorporates more recent information, including data from the 2021 Census.

2.2. The neighbourhood area boundary and key statistics

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

Figure 2-1: Map of the Harberton Parish Neighbourhood Area



Source: South Hams District Council¹

2.2.2. At the time of the 2021 Census the neighbourhood area was home to 1,349 residents, formed into 611 households and occupying 661 dwellings. This data indicates population growth of around 46 people (or 4%) since 2011, when the Census 2011 recorded a total of 1,303 residents and 558 households. Comparing Census 2021 dwellings figures with 2011 suggests growth of 50 in the number of dwellings over the 10-year period. Over the same period, the rate of household growth (10%) outpaced population growth (4%) but was slightly lower than the rate of dwelling growth (8.2%). This could indicate trends towards smaller household sizes (driven by ageing and mortality or fewer children) and higher rates of vacancy primarily associated with second home ownership.

¹South Hams District Council (2013). 'Application Form for Designation of Neighbourhood Area' can be accessed through [this link](#).

- 2.2.3. Completions data provided by South Hams District Council states that 14 additional (net) dwellings have been built in Harberton Parish between the start of 2021 and the end of 2024 (all on market tenures). There are also 22 outstanding commitments in Harberton Parish (dwellings on sites with planning permission or under construction) as of March 2024, with 10 of these being offered in affordable tenures.

2.3. The housing market area context

- 2.3.1. Whilst this Housing Needs Assessment (HNA) focuses on Harberton Parish it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
- 2.3.2. In the case of Harberton Parish, the neighbourhood area sits within the Plymouth HMA, covering Plymouth, West Devon, and South Hams.² This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including Teignbridge and Torbay.
- 2.3.3. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including the Harberton Parish neighbourhood area, are closely 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 nearby Totnes, that will be targeted for development. These growth areas may, therefore, lead to a reduction in the need and demand for housing in Harberton Parish.
- 2.3.4. 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), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

² PBA (2017). 'Plymouth & South West Devon Joint Local Plan SHMA' can be accessed through [this link](#).

2.4. Planning policy context

- 2.4.1. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.³ In the case of South Hams District Council, the relevant adopted Local Plan is the Plymouth and South West Devon Joint Local Plan (JLP): adopted by SHDC on 21 March 2019, Plymouth City Council and West Devon Borough Council in March 2019. The JLP outlines the strategic framework for sustainable growth and the management of change for South Hams during the period 2014-2034.
- 2.4.2. A detailed breakdown of the Local Plan policies relevant to housing need is provided in **Appendix B**, however a summary of the most important points is provided here:
- Local Plan Policy SPT3 identifies an overall housing target of 26,700 homes for the Plan Area over the Local Plan period;
 - In Policy TTV1 the villages of Harberton and Harbertonford fall under the 'Sustainable Villages' category, where development is only permitted if it can be demonstrated to support principles of sustainable development and communities. The remaining hamlets within the neighbourhood area fall under the 'Smaller Villages, Hamlets and the Countryside' category, where development will be driven by locally identified needs and to sustain limited services.
 - No specific housing type/size targets have been set; however, Policy DEV8 notes that these should be based on local housing need evidence.
 - Policy DEV8 also states that 30% of all new dwellings are expected to be delivered as Affordable Housing on sites larger of 11 or more homes (except in Designated Rural Areas where 30% should be delivered on developments of six-or-more homes).
 - Policy DEV9 sets out an expectation that 20% of new homes on schemes of five-or-more dwellings will be built to Category M4(2) accessibility standards.

2.5. Quantity of housing to provide

- 2.5.1. The NPPF 2024 (paragraphs 69 and 70) requires LPAs to provide designated neighbourhood areas with a housing requirement which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Where it is not possible for the LPA to provide a requirement figure for a neighbourhood area the NPPF states that the LPA should provide an indicative figure, if requested to do so by the neighbourhood planning body.
- 2.5.2. South Hams District Council has fulfilled that requirement by providing Harberton Parish with an indicative figure of 50 dwellings to be accommodated within the neighbourhood area by the end of the Neighbourhood Plan period. This figure is derived from the sum of individual targets set for the villages of Harbertonford (around 30 dwellings) and Harberton (around 20 dwellings).

³ A description of the Basic Conditions of Neighbourhood Planning is available through [this link](#).

3. Objectives and Approach

3.1. Objectives

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

Affordability and Affordable Housing

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

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

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

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

Housing Mix: Type and Size

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

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

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

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

Specialist Housing for Older People

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

Second Homes

- 3.1.11. This chapter considers the potential scale of second homes ownership, including commercial holiday lets, in the neighbourhood area. The approach is as follows:
- To estimate the current level of second home ownership (including commercial holiday lets);
 - To estimate the financial incentive for homeowners to use their properties for commercial holiday lets as opposed to long term private rentals; and
 - To discuss the potential policy options relating to second homes in the neighbourhood area.

3.2. Approach

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

- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from [Home.co.uk](https://www.home.co.uk);
- Local Authority housing waiting list data; and
- Plymouth & South West Devon Joint Local Plan SHMA (2017).

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

4. Affordability and Affordable Housing

4.1. Introduction

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

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

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

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

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

4.2. Definitions

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

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

- A range of affordable home ownership products are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. This includes discounted market sales housing and other affordable routes to home ownership (shared ownership, rent to buy etc.) which are defined in Annex 2. First Homes are also part of the range of affordable home ownership products, but the definition of First Homes and policy is covered in a Ministerial Statement (2021) and not defined in Annex 2.⁴

4.3. Current tenure profile

- 4.3.1. The current tenure profile is a key feature of the neighbourhood area. Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
- 4.3.2. **Data from** South Hams District Council (February 2025) indicates that all newly constructed dwellings in the neighborhood area since the 2021 Census have been offered in market tenures. Although there is a site with permission to deliver 10 affordable tenure dwellings in Harberton Parish, the dominance of market tenures has likely increased since the last census.
- 4.3.3. Table 4-1 presents data on tenure in Harberton Parish compared with South Hams and England from the 2021 Census.
- 4.3.4. In Harberton Parish, home ownership is the most common tenure type, comprising 67.8% of the total mix. The next most common tenure is private renting, which accounts for 22.7%. Together, these market tenures account for approximately 90% of all dwellings in Harberton Parish.
- 4.3.5. The remaining 10% of the tenure mix is largely made up of social rent tenures (8%), with a smaller portion allocated to shared ownership tenures (2%).
- 4.3.6. Harberton Parish's tenure profile is similar to that of South Hams and England. However, within the district, the neighbourhood area shows a slightly higher proportion of private renting at the expense of market ownership and social rent tenures. Compared to the national average, Harberton Parish has a significantly lower proportion of social rented tenures, resulting in higher proportions of other tenure types.

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>.

4.3.7. Data from South Hams District Council (February 2025) indicates that all newly constructed dwellings in the neighborhood area since the 2021 Census have been offered in market tenures. Although there is a site with permission to deliver 10 affordable tenure dwellings in Harberton Parish, the dominance of market tenures has likely increased since the last census.

Table 4-1: Tenure (households) in Harberton Parish and comparator geographies, 2021

Tenure	Harberton Parish	South Hams	England
Owned	67.8%	70.5%	61.3%
Shared ownership	1.6%	1.6%	1.0%
Social rented	7.9%	11.8%	17.1%
Private rented	22.7%	16.1%	20.6%

Sources: Census 2021, AECOM Calculations

4.3.8. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see **Table 4-2**). Between the 2011 and 2021 Census periods, Harberton Parish saw a notable increase in home ownership, with ownership tenures rising by 53 households (+15%) and private ownership experiencing a modest increase of three households (+2%). In contrast, affordable tenures declined, with shared ownership falling by two households (-17%) and social rent decreasing by one household (-2%). This shift indicates an increasing dominance of private ownership in the local housing market.

4.3.9. The decline in affordable tenures may be attributed to several factors, including the limited availability of new affordable housing developments, the sale of existing social housing through Right to Buy policies, rising house prices making shared ownership less accessible, and a lack of investment in new social housing stock. Census recording errors may also have played a role, with possible misclassification of tenure, non-response bias, or differences in data collection methods leading to small discrepancies in the reported figures.

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

Tenure	2011	2021	% Change
Owned	361	414	14.7%
Shared ownership	12	10	-16.7%
Social rented	49	48	-2.0%
Private rented	136	139	2.2%

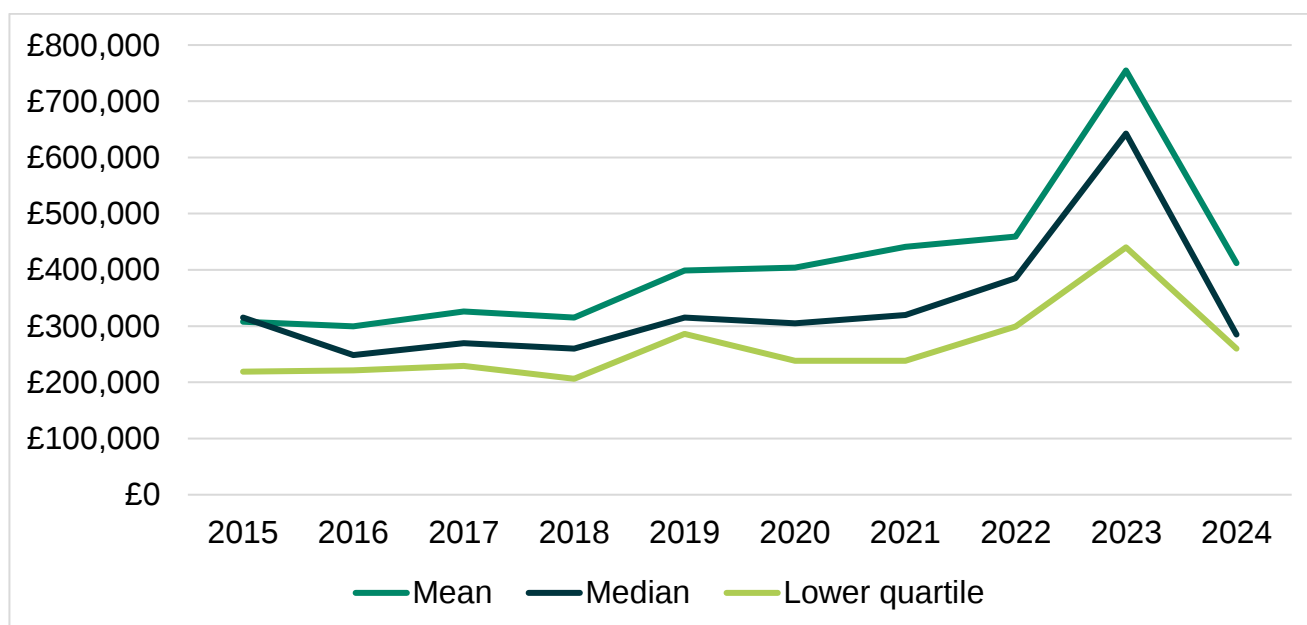
Sources: Census 2021 and 2011, AECOM Calculations

4.4. Affordability

House prices

- 4.4.1. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what these reveal about the local housing market.
- 4.4.2. **Figure 4-1** looks at the change in mean (average), median (middle value), and lower quartile (the point below which the lowest 25% of values fall) for house prices in the neighbourhood area, based on Land Registry sales data. Between 2015 and 2024, house prices fluctuated but followed an overall upward trend across all recorded measures. Prices peaked in 2023, largely due to a higher proportion of sales involving detached dwellings at the upper end of the market.
- 4.4.3. In 2023, the neighbourhood area's mean selling price was £411,809, while the median was £285,000, and the lower quartile price stood at £260,000.

Figure 4-1: House prices by quartile in Harberton Parish, 2015-2024



Source: Land Registry PPD

- 4.4.4. **Table 4-3** breaks down house prices by type, presenting the median within each type. It shows that breaks down house prices by type, presenting the median within each type.
- 4.4.5. The most significant change is seen in detached properties, which experienced a 124.6% increase over the observed period. This suggests strong demand for larger

and less dense homes, potentially driven by an influx of higher-income buyers, changing lifestyle preferences, or a limited supply of detached properties.

- 4.4.6. In contrast, semi-detached and terraced house prices declined over the period, suggesting a shift in buyer demand or a change in the supply of available properties.
- 4.4.7. Flats, despite gaps in the data for several years, have grown over the observed period. This may suggest increasing demand for smaller homes, potentially from first-time buyers or investors. However, the low number of sales also means that data for this house type can be influenced by characteristics in terms of size, location and condition.

Table 4-3: Median house prices by type in Harberton Parish, 2015-2024

Type	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Growth
Detached	£320,000	£432,500	£415,000	£460,000	£427,500	£502,500	£657,500	£575,000	£697,500	£718,750	124.6%
Semi-detached	£310,000	£225,000	£270,000	£240,000	£614,000	£275,000	£377,500	£410,000	-	£285,000	-8.1%
Terraced	£285,000	£258,000	£246,250	£240,000	£285,000	£303,500	£287,000	£325,000	£642,500	£275,000	-3.5%
Flats	£163,500	-	-	£230,000	-	-	£176,250	-	£135,000	£272,500	66.7%
All Types	£315,000	£248,450	£269,500	£260,000	£315,000	£305,000	£320,000	£385,000	£642,500	£285,000	-9.5%

Source: Land Registry PPD

Income

- 4.4.8. Household incomes determine the ability of most households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the neighbourhood area.
- 4.4.9. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £46,400 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in **Appendix A**.
- 4.4.10. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. South Hams's gross individual lower quartile annual earnings were £14,555 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £29,110.
- 4.4.11. It is clear from this data that there is a large gap between the spending power of average income households and those earning the lowest 25% of earnings, particularly where the household in question has one earner only.

Affordability Thresholds

- 4.4.12. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is assessed using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.4.13. 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 rents and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in **Appendix C**.
- 4.4.14. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken, and a case can be made for alternatives. This is discussed in more detail at the start of **Appendix C**.

- 4.4.15. The analysis in **Table 4-4** does not take account of wealth (beyond savings sufficient for a 10% deposit) or existing housing equity which may provide substantial additional financial resources for many existing home owners. Wealth and equity resources are difficult to measure, particularly at the localized level. Furthermore, the affordability analysis in HNAs is primarily focused on access to different housing options for those entering the market for the first time, either to rent or buy, and developing policies that support those who have difficulty accessing market housing. Nevertheless, many households will have additional resources that are not factored into this analysis. This is particularly the case for older owner occupiers since many own their homes outright, and/or have built up substantial equity in their existing homes over time.
- 4.4.16. **Table 4-4** summarises the estimated cost of each tenure, the annual income required to support these costs within the neighbourhood area, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £46,400	Affordable on LQ earnings (single earner)? £14,555	Affordable on LQ earnings (2 earners)? £29,110
Market Housing						
Median House Price	£256,500	-	£73,286	No	No	No
Estimated Neighbourhood Area New Build Entry-Level House Price	£250,666	-	£71,619	No	No	No
LQ/Entry-level House Price	£234,000	-	£66,857	No	No	No
LA New Build Median House Price	£284,828	-	£81,379	No	No	No
Average Market Rent (and Rent to Buy)	-	£17,304	£57,680	No	No	No
Entry-level Market Rent (and Rent to Buy)	-	£12,600	£42,000	Yes	No	No
Affordable Home Ownership						
Discounted Market Sale (-20%)	£200,533	-	£57,295	No	No	No
First Homes (-30%)	£175,466	-	£50,133	No	No	No
First Homes (-40%)	£150,400	-	£42,971	Yes	No	No
First Homes (-50%)	£125,333	-	£35,809	Yes	No	No
Shared Ownership (50%)	£125,333	£3,481	£47,414	Marginal	No	No
Shared Ownership (25%)	£62,667	£5,222	£35,312	Yes	No	No
Shared Ownership (10%)	£25,067	£6,267	£28,051	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£6,644	£22,145	Yes	No	Yes
Social Rent	-	£4,926	£16,420	Yes	Marginal	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

4.4.18. 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 37% higher than the current average.

4.4.19. Private renting is generally only affordable to average income households. Households made up of 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

4.4.20. 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 £42,000 per year (at which point entry-level rents become affordable) and £66,857 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as Discounted Market Sale, First Homes, Shared Ownership and Rent to Buy.

4.4.21. Discounted Market Sale (DMS) homes are offered at a discount at least 20% on market prices. First Homes are offered at a discount of at least 30% on market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.

4.4.22. This report has estimated the income required to afford discounts of 20-50% to cover the range of discounts likely to be available on these different products.

4.4.23. Based on our estimated value of entry-level new build sales for Harberton Parish in 2024, First Homes tenures with 40% and 50% discounts, and shared ownership (up to 50% equity) would make home ownership affordable to average earning households.

- 4.4.24. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. In some case, higher discount levels could create a financial burden on a scheme which leads developers to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be reduced. The latter might put at risk the delivery of Social/ Affordable rented housing which may be an unintended consequence. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If Harberton Parish Neighbourhood Plan Steering Group intend to set higher discount levels (e.g. on First Homes) than that set at district level, further discussions with the LPA are advised.
- 4.4.25. Shared ownership appears to be more affordable than Discounted Market Sale/First Homes. The minimum equity share for shared ownership is 10% of the property value.⁵ If this is delivered in the neighbourhood area, it will make shared ownership easier to access for more households. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares or discounted market sale products) for those who can afford them.
- 4.4.26. Rent to Buy provides households with the option to rent at a discount (an intermediate rent at least 20% lower than the market rent) in order that they can save for a deposit to buy their property within a set period. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership quite significantly, including to average income groups. However, discounts on average rents would make Rent to Buy the least accessible tenure type in terms of household income required. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.
- 4.4.27. The range of affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:
- DMS and First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.

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>.

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

Social and Affordable Rented housing

- 4.4.28. Social and Affordable Rented housing performs a critical role in supporting households with the most acute housing needs. These households are likely to be on the lowest incomes and unable to afford market housing without subsidy.
- 4.4.29. Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market levels. This appears to be the case in Harberton Parish.
- 4.4.30. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average income households are unlikely to be eligible). Affordability for households with a single lower earner appears to be marginal. Many households eligible for Social/Affordable Rented homes will require additional subsidy through Housing Benefit/Universal Credit to access housing.
- 4.4.31. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)⁶.
- 4.4.32. Social Rents are cheaper than Affordable Rents and, in theory, would leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. This is particularly the case for households who are supported by Housing Benefit and subject to the overall benefit cap since their benefit income is limited by the cap and they may not be able to claim enough to cover the Affordable Rent.

⁶ National Planning Policy Framework

- 4.4.33. Where households are supported by housing benefit and not affected by benefit caps, the difference in the cost of Affordable and Social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that these households may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.
- 4.4.34. Households who are not supported by benefits, for example those whose earnings are higher and making them ineligible for benefits, would clearly benefit from the lower Social Rent levels because it would reduce their outgoings. However, these households are less likely to be in acute need on housing waiting lists. Rather, this scenario might apply to those already living in Social Rented housing where their financial circumstances have improved.
- 4.4.35. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data and more detailed evidence in LHNAs. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

4.5. Estimates of the need for Affordable Housing

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

AECOM Estimates

The Need for Social/Affordable Rented Homes

- 4.5.2. AECOM estimates the need for 0.4 Social/Affordable rented homes per annum in Harberton Parish, equating to a total of four over the plan period. The estimate and assumptions used are detailed in **Appendix D** and summarised in **Table 4-5**. This need is largely for Social/Affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	1.5
Newly arising need	0.9
Supply	2.0
Net shortfall	0.4

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

The Need for Affordable Home Ownership Homes

- 4.5.3. Turning to affordable home ownership, AECOM estimate potential demand for 7.2 such dwellings per annum in Harberton Parish, equating to a total of 72 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in **Appendix D** and summarised in **Table 4-6** below.
- 4.5.4. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for social/affordable rented housing.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	7.0
Newly arising need	0.7
Supply	0.5
Net shortfall	7.2

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

Evidence in the SHMA

- 4.5.5. A SHMA was undertaken for Plymouth, South Hams, and West Devon Councils in 2017. This study estimated 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 South Hams 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.
- 4.5.6. When the SHMA figures are pro-rated to Harberton Parish based on its fair share of the population (1.5% of the district's population – 2021 Census), this equates to 1.5 homes per annum over the Neighbourhood Plan period.

Evidence from Local Consultation Surveys and Events

- 4.5.7. In the 2015 Neighbourhood Plan Consultation Survey (NPCS), 75% of responses 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.

- 4.5.8. When asked about the type of housing needed in the Parish, the responses to the NPCS 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'.
- 4.5.9. A subsequent consultation event was held in 2023, in the form of an open community gathering on 10 June 2023. One of the priorities that emerged from the meeting was the need to make housing more affordable for local people, given rising local pressure on housing availability and affordability.
- 4.5.10. A more recent survey than the NPCS was distributed in 2024. Responses to this indicated an even higher rate of support of affordable housing than the NPCS, with 81% of responses indicating they 'strongly agreed' or 'agreed' with new affordable housing developments with a local connection policy. Whereas support for new market development was much lower, at 25%.

4.6. Affordable Housing policies in Neighbourhood Plans

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

Application of Local Plan policies

- 4.6.2. The JLP's adopted policy on this subject DEV8 requires 30% of all new on-site housing to be affordable on schemes of 11 or more dwellings. According to the completions data provided by the Council, which breaks down completions by tenure type, there have been no developments with 11 or more dwellings built since 2014 in Harberton Parish. Permissions, however, have been granted for 12 dwellings proposed at Oak Tree Field (Harberton village), which will provide 10 affordable units and two open market dwellings.
- 4.6.3. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the neighbourhood area, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the JLP. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.
- 4.6.4. The JLP specifies that Affordable Housing provided through mainstream development sites should be allocated across different tenures, with 65% designated for social rented homes and 35% for affordable home ownership. However, it also emphasizes that actual delivery should reflect local housing needs.

Affordable Housing at Neighbourhood level

- 4.6.5. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Harberton Parish on the basis of identified housing need and a range of other considerations detailed in **Appendix D**.
- 4.6.6. The preferred tenure mix in the adopted Local Plan (the JLP) is 65% social/affordable rented and 35% affordable home ownership. This appears to offer a suitable benchmark for Harberton Parish because it prioritises the delivery of Social/Affordable Rent and also provides scope to deliver affordable home ownership products.
- 4.6.7. The delivery of Affordable Housing overall will be lower than the needs identified in this HNA. In this context, Social/Affordable Rented tenures are likely to be prioritised because of the acute needs these households face.
- 4.6.8. There is clear need for a range of different affordable housing tenures – both rented and affordable home ownership.
- 4.6.9. The evidence suggests affordable home ownership products could deliver wider choice within this neighbourhood area and their delivery would not appear to prevent sufficient provision of Social/Affordable rented housing for those in acute need.
- 4.6.10. AECOM suggest priority is given within the mix of affordable home ownership properties to shared ownership, which is more affordable than DMS/First Homes and extends home ownership more widely.
- 4.6.11. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF).⁷
- 4.6.12. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data, housing benefit data, more detailed evidence in LHNAs and viability assessments. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.
- 4.6.13. Where the Harberton Parish Neighbourhood Plan Steering Group wish to develop policy that deviates from that outlined in the JLP – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with South Hams District Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

⁷ National Planning Policy Framework

4.7. Conclusions - Affordability and Affordable Housing

Current tenure profile

- 4.7.1. In Harberton Parish, home ownership is the most common tenure type, comprising 67.8% of the total mix. The next most common tenure is private renting, which accounts for 22.7%. Together, these market tenures account for approximately 90% of all tenures in Harberton Parish. The remaining 10% of the tenure mix is largely made up of social rent tenures (7.9%), with a smaller portion allocated to shared ownership tenures (1.6%).
- 4.7.2. Harberton Parish's tenure profile is similar to that of South Hams and England. However, within the district, the neighbourhood area shows a slightly higher proportion of private renting at the expense of market ownership and social rent tenures. Compared to the national average, Harberton Parish has a significantly lower proportion of social rented tenures, resulting in higher proportions of other tenure types.

Affordability

- 4.7.3. The latest available data suggests that the average household income in the area was £46,400 in 2020 (the most recent year for this dataset). The annual lower quartile earnings for individual earners in South Hams in 2023 was £14,555 (when multiplied by two for dual lower earning households, this figure becomes £29,110).
- 4.7.4. Affordability in the open housing market is an issue in the neighbourhood area, with average income households only able to afford entry-level market rent.

The need for Affordable Housing

- 4.7.5. An offering of Affordable Housing tenures will be necessary in Harberton Parish to make housing prices more accessible to a larger group of households with varying home ownership/renting aspirations:
- Based on our estimated value of entry-level new build sales for Harberton Parish in 2024, First Homes discounts of 40% and 50% would make home ownership affordable to average earning households.
 - Entry-level shared ownership tenures offered at 50%, 25% and 10% equity shares are also all considered to be affordable for average earning households (the 10% equity level is also considered affordable for households of two lower quartile earners) in Harberton Parish.
 - A small offering of Rent to Buy tenures may be useful for households who lack sufficient deposits rather than sufficient incomes; however, this would be the most expensive 'affordable' tenure; and
 - Social Rent tenures are vital for households of one lower quartile income earner, who without these discounts would likely be priced out of the area.

Affordable Housing policy

- 4.7.6. AECOM calculations suggest there is a need for less than one additional affordable rented home per annum and seven additional dwellings in affordable ownership tenures per annum in Harberton Parish over the neighbourhood plan period.
- 4.7.7. When considered in isolation, the calculated need figures would suggest that the neighbourhood area requires a higher weighting towards affordable ownership than affordable rent. However, this does not reflect the circumstances of households in the present day waiting for affordable renting (who may be waiting many years to be housed if solely relying on re-lets). Therefore, there is still value in placing higher priority on affordable rented than affordable ownership in the neighbourhood area.
- 4.7.8. The preferred tenure mix in the adopted Local Plan (the JLP) is 65% social/affordable rented and 35% affordable home ownership. This appears to offer a suitable benchmark for Harberton Parish because it prioritises the delivery of Social/Affordable Rent and also provides scope to deliver affordable home ownership products.
- 4.7.9. Regarding general affordability in the open market, the analysis in the chapter also suggests that it may be beneficial for the neighbourhood plan to support the addition of denser mainstream housing that meets standard quality requirements. It may also be appropriate to address this issue by prioritising the delivery of small-to-medium-sized dwellings, which tend to be cheaper than larger dwellings built to the same standard (see **Chapter 5** for further analysis on housing type and size).

5. Housing Mix: Type and Size

5.1. Introduction

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

Definitions

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

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

5.2. The current housing mix

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

Dwelling type

- 5.2.2. **Table 5-1** presents the dwelling type mix for the neighbourhood area in 2021. The data indicates a relatively balanced distribution across three of the four accommodation types - detached, semi-detached, and terraced - which each account for 25% to 35% of the total housing stock. In contrast, flats make up only 6%, standing out as a clear outlier in the mix.
- 5.2.3. The proportions of detached and semi-detached dwellings in the neighbourhood area closely align with those at the district level. However, the proportion of flats at the district scale is roughly twice as high as in the neighbourhood area, indicating a notable difference in housing composition.
- 5.2.4. Compared to the national profile, the neighbourhood area's dwelling mix differs significantly. Across England, housing types are more evenly distributed, with semi-detached homes being the most common type, whereas in the neighbourhood area, they rank third in prevalence. This suggests that the local housing stock is weighted more toward detached and terraced homes than the national average.

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

Type	Harberton Parish	South Hams	England
Detached	35.1%	39.8%	22.9%
Semi-detached	26.7%	28.0%	31.5%
Terrace	31.1%	20.9%	23.0%
Flat	6.4%	10.5%	22.2%

Source: Census 2021, AECOM Calculations

5.2.5. **Table 5-2** looks at changes in accommodation type within the neighbourhood area between the 2011 and 2021 Censuses. The data indicates that the proportions of each dwelling type remained largely stable over the period, with differences of no more than one percentage point in each category.

Table 5-2: Accommodation type, Harberton Parish, 2011-2021

Type	2011	2021
Detached	34.9%	35.1%
Semi-detached	26.5%	26.7%
Terrace	31.1%	31.1%
Flat	7.0%	6.4%

Source: ONS 2021 and 2011, AECOM Calculations

Dwelling size

5.2.6. **Table 5-3** presents the housing mix in Harberton Parish for 2021. Within the neighbourhood area, the most common dwelling size is three bedrooms, accounting for 35% of the total housing stock. Four-or-more-bedroom and two-bedroom dwellings make up slightly smaller proportions, at 29% and 27%, respectively. One-bedroom dwellings are the least common, representing 9% of the total mix.

5.2.7. Harberton Parish's dwelling size distribution closely aligns with that of South Hams, with the only notable difference being a slightly higher proportion of three-bedroom dwellings at the district level.

5.2.8. Compared to the national housing mix, Harberton Parish has a slightly larger overall dwelling size profile, with lower proportions of one-, two-, and three-bedroom properties, but a higher proportion four-or-more-bedroom properties. This suggests that housing in Harberton Parish may be more oriented towards larger households compared to the national average.

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

Number of bedrooms	Harberton Parish	South Hams	England
1	8.9%	7.9%	11.6%
2	26.8%	24.7%	27.3%
3	35.4%	39.1%	40.0%
4+	28.9%	28.4%	21.1%

Source: Census 2021, AECOM Calculations

5.2.9. **Table 5-4** shows a similar trend to **Table 5-2**, revealing that the dwelling size profile remained largely stable over the observed period - each size category changed by no more than one percentage point.

5.2.10. Data from South Hams District Council (February 2025) indicates that most newly constructed dwellings in the neighborhood area since the 2021 Census have been mid-sized, with seven additional two- and three-bedroom units. Additionally, two one-bedroom dwellings and three dwellings with four-or-more bedrooms have been built.

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

Number of bedrooms	2011	%	2021	%
1	41	7.3%	54	8.9%
2	150	26.9%	162	26.8%
3	199	35.7%	214	35.4%
4+	168	30.1%	175	28.9%
Total	558		605	

Source: ONS 2021 and 2011, AECOM Calculations

5.3. Population characteristics

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

Age

5.3.2. **Table 5-5** shows the most recent age structure of the neighbourhood area population, alongside 2011 Census figures. According to the 2021 Census, the majority of the neighbourhood area's population falls in the older working-age bracket (45-64) and the first older age category (65-84), accounting for 34% and 24% of the total population, respectively.

5.3.3. The least common age brackets were 85 and over and 15-24, both accounting for under 10% of the neighbourhood area's population. The reason for these relatively low proportions could be that these two population groups are forced to migrate out of the neighbourhood area to seek specialist housing for older people, education/job opportunities, or more affordable housing.

5.3.4. The rest of the population is found in the 0-14 and 25-44 age categories, accounting for 14% and 20% of the neighbourhood area's population, respectively.

5.3.5. Over the observed period, a clear trend of an ageing population emerged (or accelerated). The two youngest age categories declined, while the working-age groups remained stable. In contrast, the two oldest age categories saw significant growth, indicating a shift towards an older demographic profile.

Table 5-5: Age structure of Harberton Parish, 2011 and 2021

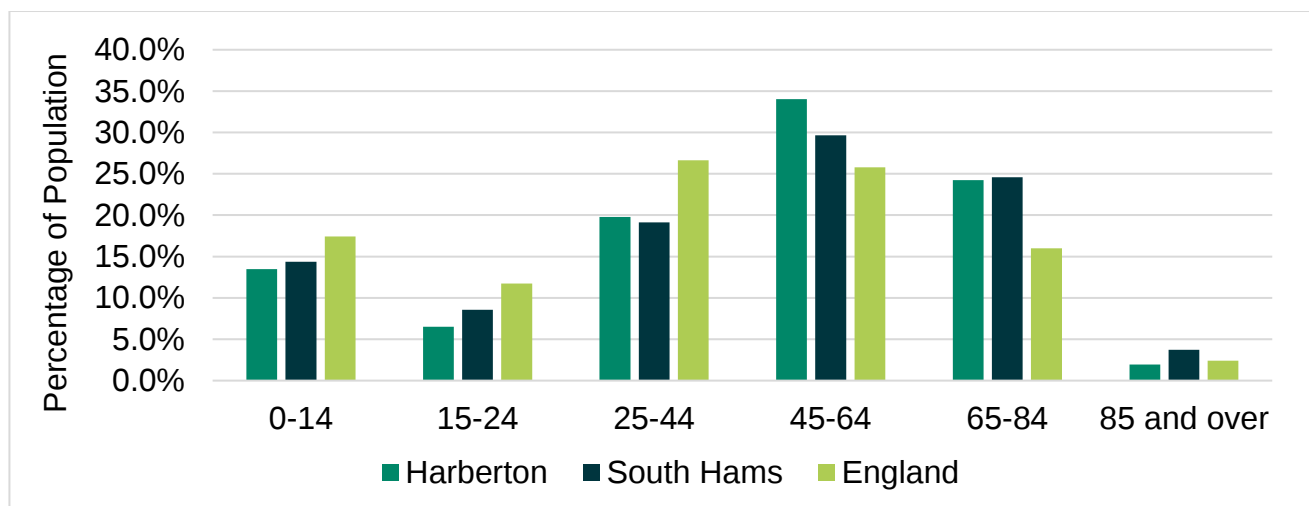
Age group	2011 (Census)		2021 (Census)		Change
0-14	202	15.5%	182	13.5%	-9.9%
15-24	152	11.7%	88	6.5%	-42.1%
25-44	266	20.4%	267	19.8%	0.4%
45-64	464	35.6%	459	34.0%	-1.1%
65-84	200	15.3%	327	24.2%	63.5%
85 and over	19	1.5%	26	1.9%	36.8%
Total	1303		1,349		3.5%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.3.6. For context, it is useful to look at the neighbourhood area population structure alongside that of the district and country. **Figure 5-1** (using 2021 Census data) shows that the neighbourhood area has an older population when compared to England. This is reflected in the higher (or equal) proportions of residents in the three oldest age categories and lower proportions in the three youngest categories relative to both the district and national levels.

5.3.7. Compared to South Hams, the neighbourhood area has a higher concentration of its population in the working-age groups, whereas the district has larger proportions in both the youngest and oldest age categories. This suggests that while the district as a whole has a broader age distribution, the neighbourhood area is more weighted towards working-age residents.

Figure 5-1: Age structure in Harberton Parish, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

5.3.8. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. **Table 5-6** shows that the neighbourhood area's household composition profile is similar across all three geographies, with 'one family only', followed by 'one person household', being the most common household types – both found in similar rates.

- 5.3.9. The sub-categories within **Table 5-6** also show broad similarities across the three areas. However, the neighbourhood area and South Hams have a slightly older household composition, with higher proportions of 'one person households aged 66 and over' and 'one family only-all aged 66 and over' compared to the national average. This suggests an ageing population in the neighbourhood area and district.
- 5.3.10. The neighbourhood area has a slightly lower proportion of 'one family only – with dependent children' households compared to South Hams and England. This could indicate an undersupply of smaller homes, which may limit housing options for families with children. Additionally, affordability challenges could be contributing to this trend, as families may be moving to more affordable areas where suitable housing is more accessible.
- 5.3.11. The 'non-dependent children' category refers to households where adult children continue to live at home, including those who retain their family home as their primary residence while studying at university. A significant increase in this category can indicate difficulties in accessing entry-level housing, preventing young adults from moving out and forming their own households. In the neighbourhood area, this category grew by 12% between 2011 and 2021, a slower rate than South Hams (+20%) but higher than the national average (+4%). This suggests that while affordability pressures are present in the neighbourhood area, they may not be as pronounced as across the wider district.

Table 5-6: Household composition, Harberton Parish and comparator geographies, 2021

Household composition		Harberton Parish	South Hams	England
One person household	Total	30.6%	29.5%	30.1%
	Aged 66 and over	14.4%	16.7%	12.8%
	Other	16.2%	12.9%	17.3%
One family only	Total	61.6%	65.6%	63.1%
	All aged 66 and over	14.4%	14.9%	9.2%
	With no children	22.4%	19.6%	16.8%
	With dependent children	18.1%	21.5%	25.8%
	With non-dependent children ⁸	9.5%	9.3%	10.5%
Other household types	Total	7.8%	4.9%	6.9%

Source: ONS 2021, AECOM Calculations

- 5.3.12. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the neighbourhood area. A household is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This

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

is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.

5.3.13. The occupancy rating data from the 2021 Census, presented in **Only 1%** of dwellings in the neighbourhood area were recorded as over-occupied (-1 rating). While this is a small proportion, it serves as an indicator of acute housing need, suggesting that some households may be living in overcrowded conditions due to limited availability of suitably sized homes.

5.3.14. Table 5-7, reveals an overall trend of underoccupancy in the neighbourhood area, with around 80% of households having at least one unused bedroom, suggesting that Harberton Parish's larger dwelling stock is not being occupied efficiently. The 'Family 66+' and 'Family under 66 – no children' household types are most likely to have a +2-occupancy rating.

5.3.15. Only 1% of dwellings in the neighbourhood area were recorded as over-occupied (-1 rating). While this is a small proportion, it serves as an indicator of acute housing need, suggesting that some households may be living in overcrowded conditions due to limited availability of suitably sized homes.

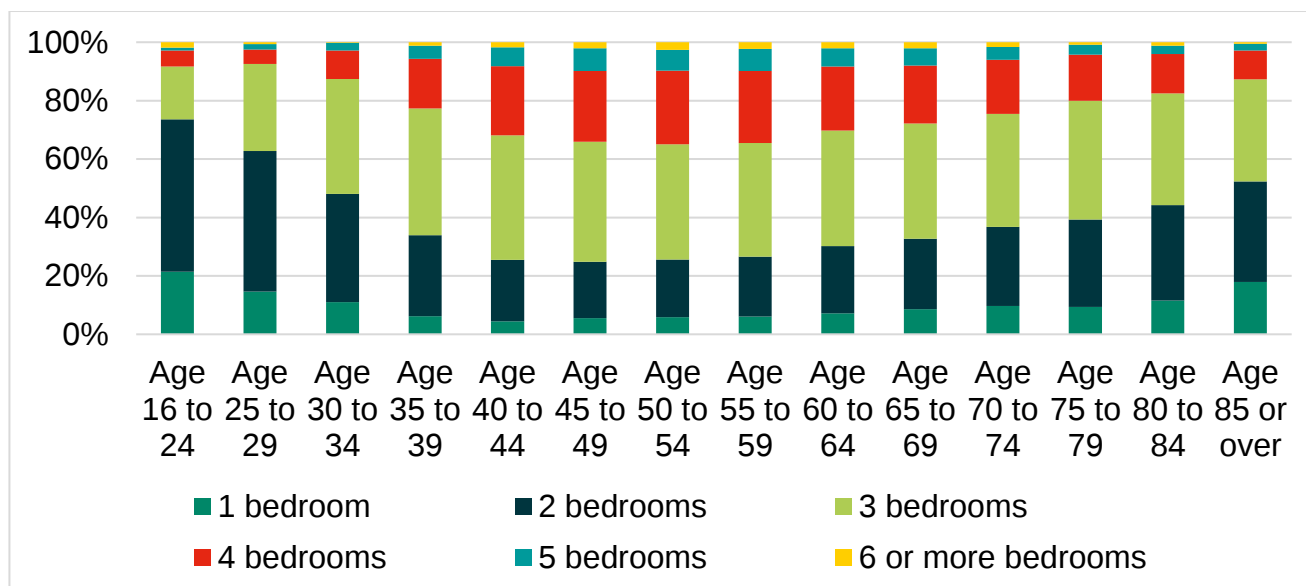
Table 5-7: Occupancy rating by age in Harberton Parish, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	80.6%	17.9%	1.5%	0.0%
Single person 66+	47.8%	34.4%	17.8%	0.0%
Family under 66 - no children	66.2%	30.9%	2.9%	0.0%
Family under 66 - dependent children	22.1%	35.4%	42.5%	0.0%
Family under 66 - adult children	34.5%	43.1%	22.4%	0.0%
Single person under 66	36.6%	35.6%	27.7%	0.0%
All households	47.1%	32.6%	19.8%	0.5%

Source: Census 2021, AECOM Calculations

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

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



Source: ONS 2011, AECOM Calculations

5.4. Future population and size needs

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

Age

5.4.2. The result of applying Local Authority level household projections to the age profile of Harberton Parish households in 2011 is shown in **Table 5-8**. This makes clear that population growth can be expected to be driven by the oldest households, with the 65-and-over household age bracket expected to grow by 59% to 2036. The 55 to 64 age bracket is expected to grow by 4%. All of the other, younger, age categories are expected to remain the same or reduce in size.

5.4.3. If current trends continue, and the goal is to accommodate the demographic shifts in **Table 5-8**, it may be appropriate to focus on delivering smaller-to-medium-sized dwellings for older households looking to downsize. An ageing population may also benefit from new housing being built to high accessible and adaptable standards (categories M4[2] and M4[3]). This could also be an appropriate strategy if the goal of the Neighbourhood Plan is to attract more younger households to the area.

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

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	8	47	200	159	144
2036	7	48	188	165	229
% change 2011-2036	-17%	2%	-6%	4%	59%

Source: AECOM Calculations

- 5.4.4. The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in **Figure 5-2**) onto the projected age profile for the neighbourhood area in **Table 5-8** immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.
- 5.4.5. This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.
- 5.4.6. The result of this exercise is presented in **Table 5-9**. It suggests that the neighbourhood area would benefit from additional medium-sized dwellings. Specifically, to achieve its 'ideal' dwelling size mix by 2036, future housing delivery might prioritise three-bedroom dwellings, complimented by a smaller offering of two-bedroom dwellings.
- 5.4.7. It is worth noting that development should not be too strictly limited to specific dwelling sizes. It will still be appropriate to offer a range of dwelling sizes in new developments so that a variety of households' needs can be accommodated. Therefore, the recommendations in **Table 5-9** should be considered to be a starting point for discussions.

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

Number of bedrooms	Current mix (2021)	Suggested mix (end of Plan period)	Balance of new housing to reach suggested mix	Indicative policy range
1	8.9%	8.4%	0.0%	0-10%
2	26.8%	26.0%	9.5%	10-20%
3	35.4%	39.2%	90.5%	60-90%
4+	28.9%	26.4%	0.0%	0-10%

Source: AECOM Calculations

- 5.4.8. The following points sense-check the results of the model against other evidence and suggest ways to interpret them when thinking about policy options.
- The preceding chapter found that affordability is a serious and worsening challenge in the neighbourhood area. 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. Provision of larger sized homes would run counter to this

need. Instead, providing denser homes with fewer bedrooms would help to address this situation.

- To best meet the needs of the growing cohort of older households expected to be present by the end of the Neighbourhood Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable.

Tenure

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

5.4.10. Generally speaking, the size mix estimated as needed within affordable tenures, particularly Affordable and Social rent, is smaller than the size mix of market housing. This is because under local authority allocation policies, which reflect the shortage of Affordable Housing overall, households are only eligible for the minimum sized home that meets their needs. This means that single people and couples will generally only be entitled to one-bedroom properties. Families with two young children are only likely to be eligible for two-bedroom properties (with the expectation that children share rooms until a certain age). In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.

5.4.11. There are three key sources of information for thinking through the size needs of different categories. These are:

- The waiting list for affordable rented housing, kept by the Local Authority. This provides a snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. As of February 2025, there were 15 applications on the housing register for Harberton and Harbertonford. Of these, 12 were in need of a one-bedroom dwelling, two were in need of a two-bedroom dwelling, and one was in need of a three-bedroom dwelling. This waiting list clearly demonstrates a need for smaller dwellings in the neighbourhood area.

- Across both affordable and market tenures, the 2017 SHMA (Part 2) breaks down dwelling size need by tenure for South Hams (Tables 4.4b to 4.7b). For market ownership and private rent, the greatest need is for two- and three-bedroom dwellings. For dwellings in shared ownership and social/affordable rent tenures, the greatest need is for two- and one-bedroom dwellings. This aligns with the calculations and commentary in this chapter.
- Whilst the 2015 and 2024 community surveys did not explicitly ask about people's dwelling type and size preferences, the surveys did produce results that indicated strong support for appropriate housing for younger households. This includes 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. During the Community Conversation event (in 2023), one of the priorities that emerged from the discussion was the provision of small properties for older residents to downsize, and small sustainable dwellings on smallholdings. Support was also shown for ensuring that there was an adequate supply of larger homes for families.

5.4.12. To summarise, the overall size mix recommendation presented above applies generally to new housing in the neighbourhood area. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes to reflect the eligibility of those on the waiting list, while market homes focus on mid-sized homes and some larger options. That said, there is often acute pressure on larger Social/Affordable Rented homes because their availability through lettings is often limited. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

- 5.4.13. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.
- 5.4.14. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
- 5.4.15. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Harberton Parish, and which favours more dense options (e.g. terraces and flats). This imperative to improve

affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the neighbourhood area. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.

- 5.4.16. In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the neighbourhood area today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the Harberton Parish Neighbourhood Plan Steering Group and community to consider.

5.5. Conclusions - Type and Size

The current housing mix - type

- 5.5.1. The 2021 Census indicates a relatively balanced distribution across three of the four accommodation types in Harberton Parish - detached, semi-detached, and terraced - which each account for 25% to 35% of the total housing stock. In contrast, flats make up only 6%, standing out as a clear outlier in the mix.
- 5.5.2. The proportions of detached and semi-detached dwellings in the neighbourhood area closely align with those at the district level. However, the proportion of flats at the district scale is roughly twice as high as in the neighbourhood area, indicating a notable difference in housing composition.
- 5.5.3. Compared to the national profile, the neighbourhood area's dwelling mix differs significantly. Across England, housing types are more evenly distributed, with semi-detached homes being the most common type, whereas in the neighbourhood area, they rank third in prevalence. This suggests that the local housing stock is weighted more toward detached and terraced homes than the national average.

The current housing mix - size

- 5.5.4. The 2021 Census shows the most common dwelling size in Harberton Parish is three bedrooms, accounting for 35% of the total housing stock. Four-or-more-bedroom and two-bedroom dwellings make up slightly smaller proportions, at 29% and 27%, respectively. One-bedroom dwellings are the least common, representing 9% of the total mix.
- 5.5.5. Harberton Parish's dwelling size distribution closely aligns with that of South Hams, with the only notable difference being a slightly higher proportion of three-bedroom dwellings at the district level.
- 5.5.6. Compared to the national housing mix, Harberton Parish has a slightly smaller overall dwelling size profile, with higher proportions of one- and two-bedroom homes and lower proportions of three- and four-or-more-bedroom properties. This suggests that

housing in Harberton Parish may be more oriented towards smaller households compared to the national average.

- 5.5.7. There is an overall trend of underoccupancy in Harberton Parish, with around 80% of households having at least one unused bedroom, suggesting that the neighbourhood area's larger dwelling stock is not being occupied efficiently. This fact may support the provision of additional smaller dwellings (two or three bedrooms) in the neighbourhood area to enable over-occupying households to downsize.

Population characteristics

- 5.5.8. According to the 2021 Census, the majority of the neighbourhood area's population falls in the older working-age bracket (45-64) and the first older age category (65-84), accounting for 34% and 24% of the total population, respectively.
- 5.5.9. The least common age brackets were 85 and over and 15-24, both accounting for under 10% of the neighbourhood area's population. The reason for these relatively low proportions could be that these two population groups are forced to migrate out of the neighbourhood area to seek specialist housing for older people, education/job opportunities, or more affordable housing.
- 5.5.10. The rest of the population is found in the 0-14 and 25-44 age categories, accounting for 14% and 20% of the neighbourhood area's population, respectively.
- 5.5.11. Between 2011 and 2021, a clear trend of an ageing population in Harberton Parish has emerged. The two youngest age categories declined, while the working-age groups remained stable. In contrast, the two oldest age categories saw significant growth, indicating a shift towards an older demographic profile.

Future population and size needs

- 5.5.12. To achieve its 'ideal' dwelling size mix by 2036, future housing delivery might prioritise three-bedroom dwellings, complimented by a smaller offering of two-bedroom dwellings.
- 5.5.13. Development, however, should not be too strictly limited to specific dwelling sizes. It will still be appropriate to offer a range of dwelling sizes in new developments so that a variety of households' needs can be accommodated.
- 5.5.14. Other factors should also be considered in determining the dwelling mix that is desirable in the neighbourhood area 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 neighbourhood area or site within the wider housing market area (linked to any Local Authority strategies or plans), strategic goals of the Neighbourhood Plan, and site-specific factors. For example, affordability has been identified as a serious issue in the neighbourhood area (see **Chapter 4**). Therefore, this might justify the provision of additional smaller (cheaper) dwellings in any future development. Also, if the aim of the neighbourhood plan is to attract more younger households to the neighbourhood area, offering more smaller-sized dwellings would support this goal. Furthermore, this would help address need associated with an

ageing population, which is expected to be a significant trend in Harberton Parish (see **Chapter 6**).

6. Specialist Housing for Older People

6.1. Introduction

- 6.1.1. It is relatively common for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Harberton Parish. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:
- To review the **current provision** of specialist housing in the neighbourhood area;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 6.1.2. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.
- 6.1.3. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.⁹
- 6.1.4. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁰ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.
- 6.1.5. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

⁹ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁰ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing¹¹:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.
- **Category M4(3):** dwellings which are capable of adaptation for wheelchair users or are already built for use of wheelchair throughout. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.

6.2. Specialist housing for older people

- 6.2.1. There is a total of 14 units of specialist accommodation in the neighbourhood area at present. These are all bungalows offered on affordable rent tenures. Details are provided in **Appendix E**.

¹¹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

- 6.2.2. The 2021 Census indicates that at this time there were 114 individuals aged 75 or over in Harberton Parish. This suggests that current provision is in the region of eight units per 1,000 of the 75+ population (a common measure of specialist housing supply). It is relevant to note that the national average for England is 136 units per 1,000 of the 75+ population¹², so provision in the neighbourhood area is similar, but slightly lower than the national average.

Demographic characteristics

- 6.2.3. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Harberton Parish is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for South Hams. The results are set out in **Table 6-1**, which suggests that the future population of Harberton Parish will grow older towards the end of the Neighbourhood Plan period. By 2036, the number of individuals aged 75+ is expected to grow by 43% and account for around three more percentage points than its current share of the population mix.
- 6.2.4. **Table 6-1** also shows that, in 2021 the proportion of individuals aged 75+ in Harberton Parish was 9.1%. This is lower than the rate in South Hams (13.1%) but slightly higher than the rate in England (8.6%). Population projections indicate that the percentage of individuals aged 75+ will increase at a similar rate across Harberton Parish, South Hams, and England. Consequently, Harberton Parish's rate is projected to remain lower than South Hams but higher than the national average.
- 6.2.5. A key assumption for the estimate given at the end of this section is that the older people living in the neighbourhood area currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Neighbourhood Plan period is the key output of this calculation.

Table 6-1: Modelled projection of older population in Harberton Parish by 2036

Age group	2021 Harberton Parish	2021 South Hams	2021 England	2036 Harberton Parish	2036 South Hams	2036 England
All ages	1,349	88,627	56,490,048	1,453	95,427	59,989,000
75+	123	11,581	4,837,160	176	16,553	6,701,000
%	9.1%	13.1%	8.6%	12.1%	17.3%	11.2%

Source: ONS SNPP 2020, AECOM Calculations

¹² Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now MHCLG) and the Care Services Improvement Partnership

- 6.2.6. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
- 6.2.7. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Neighbourhood Plan period to 2036. The top row in **Table 6-2** outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that nearly 90% of people aged between 55-75 own their home.
- 6.2.8. The expected growth in the 75+ population in the neighbourhood area is 53 additional individuals by the end of the plan period. This can be converted into 30 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Harberton Parish households are likely to need 2036, and is shown in the bottom row of **Table 6-2**.

Table 6-2: Tenure of households aged 55-75 in South Hams (2011) and projected aged 75+ in Harberton Parish (2036)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
South Hams (2011 mix)	88.0%	64.0%	24.0%	12.0%	10.3%	1.5%	0.1%
Harberton Parish (2036)	27	19	7	4	3	0	0

Source: Census 2011. Figures may not sum due to rounding

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

Future needs for specialist accommodation and adaptations

- 6.2.10. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Neighbourhood Plan period is calculated to be 13.
- 6.2.11. AECOM's modelling, summarised in **Table 6-3**, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need

adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

6.2.12. With regard to tenure, **Table 6-3** suggests that three quarters of the demand for new specialist accommodation for older people will be for those in market tenures. The remaining quarter of the demand is expected to come from those seeking homes in affordable tenures. With regard to type, **Table 6-3** suggests there will be similar demand for adaptations, sheltered or retirement living, and housing with care.

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

Type	Affordable	Market	Total
Housing with care	2	4	6
Adaptations, sheltered, or retirement living	1	6	7
Total	3	10	13

Source: Census 2011, AECOM Calculations

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

6.2.14. **Table E-3** in **Appendix E** reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Harberton Parish also results in a total of 13 specialist dwellings that might be required to the end of the Neighbourhood Plan period. This is set out in **Table 6-4**.

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

Type	Affordable	Market	Total
Housing with care	2	2	4
Adaptations, sheltered, or retirement living	3	6	9
Total	5	8	13

Source: Housing LIN, AECOM calculations

Further considerations

- 6.2.15. The above estimates both suggest that potential need for specialist accommodation is around 13 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the neighbourhood area and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
- 6.2.16. In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
- 6.2.17. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
- 6.2.18. It is considered that Harberton Parish's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Harberton Parish entirely within the Neighbourhood Area 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 Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model).
- 6.2.19. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

Evidence from Local Consultation Surveys and Events

- 6.2.20. Around 40% of the responses to the NPCPS 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.
- 6.2.21. The topic of housing for older people was also raised in the more recent community consultation event held in 2023. A priority that emerged from the event was the provision of small properties into which older residents can downsize if they wish. Additionally, support was given for seeking opportunities to create assisted/sheltered living facilities; or housing that encourages mutual care within the community (such as 'co-housing', or the 'Dutch model' of younger and older people living alongside each other) or within families (larger properties housing several generations together).

6.3. Care homes

- 6.3.1. Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
- 6.3.2. However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people about how they are cared for and supported.
- 6.3.3. Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
- 6.3.4. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. For nursing care beds this is an extra 45 care beds per 1,000 people aged 75+. Based on these rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2036 there would be a need for three residential care beds and two nursing care beds in the neighbourhood area.
- 6.3.5. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the neighbourhood area. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

6.4. The Role of Mainstream Housing

- 6.4.1. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in **Appendix E**, around 90% of the Harberton Parish population aged 75 and over is likely to live in the mainstream housing stock.¹³

¹³ 123 over 75s in 2021, of which 14 are accommodated in specialist housing, leaving 109 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

- 6.4.2. It is not possible to be precise about how well older people are accommodated within mainstream homes, regarding whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
- 6.4.3. However, given that there is unlikely to be a large volume of additional specialist supply during the Neighbourhood Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the JLP with South Hams District Council.
- 6.4.4. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings,¹⁴ although changes to Building Regulations have not yet been made.
- 6.4.5. The current adopted JLP policy - DEV9 - provides explicit encouragement for development to accommodate specific groups such as older people, requiring that 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)). The evidence gathered in this section could support exceeding this aspiration.
- 6.4.6. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys where available.
- 6.4.7. **Table 6-5** sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Harberton Parish to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for two wheelchair accessible dwellings over the Neighbourhood Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally Applied to Harberton Parish

	Percentage in England	% applied to neighbourhood area housing requirement figure (50 to end of plan period)
Households using wheelchair all the time	0.6%	<1
Households using wheelchair either indoors or outdoors	3.0%	2

Source: Survey of English Housing 2018/19

¹⁴ See Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK (www.gov.uk)

6.5. Conclusions - Specialist Housing for Older People

Current stock and demographics

- 6.5.1. There are currently 14 units of specialist housing for older people in Harberton Parish, meaning that the neighbourhood area has provision in the region of 136 units per 1,000 of the 75+ population (which is slightly under the national average).
- 6.5.2. In Harberton Parish, the number of 75+ individuals is expected to grow by around 40% by 2036, and account for approximately three more percentage points in its current share of the population mix. Without development of appropriately priced specialist housing in Harberton Parish, it is likely that those in need will be forced to move out of the neighbourhood area.
- 6.5.3. In 2021 the proportion of individuals aged 75+ in Harberton Parish was 9.1%. This is lower than the rate in South Hams (13.1%) but slightly higher than the rate in England (8.6%). Population projections indicate that the percentage of individuals aged 75+ will increase at a similar rate across Harberton Parish, South Hams, and England. Consequently, Harberton Parish's rate is projected to remain lower than that of South Hams but higher than the national average.

Need for specialist housing for older people

- 6.5.4. This chapter estimates that potential overall need for specialist accommodation is around 13 units by the end of the Neighbourhood Plan period.
- 6.5.5. Regarding the tenure, the majority of this need is for units in market tenures, while there is an almost equal need for 'housing with care' and 'adaptations, sheltered, or retirement living' units.

Need for additional care home units

- 6.5.6. Our calculations (which do not consider tenure types) suggest that an additional three residential care beds and two nursing care beds care home units would be needed in Harberton Parish to accommodate any need that may arise over the Neighbourhood Plan period.

Alternative solutions

- 6.5.7. Given that there is unlikely to be a large volume of additional specialist supply during the Neighbourhood Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the JLP with South Hams District Council.
- 6.5.8. The current adopted JLP policy - DEV9 - provides explicit encouragement for development to accommodate specific groups such as older people, requiring that 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)). The evidence gathered in this section could support exceeding this aspiration.

7. Second Homes

7.1. Introduction

- 7.1.1. Neighbourhood Plan policies controlling second home ownership are typically evidenced by demonstrating a high or rapidly increasing rate of second home ownership within a context of acute affordability challenges and/or serious constraints in the availability of overall housing.
- 7.1.2. The existence of second or holiday homes 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.
- 7.1.3. Harberton Parish clearly exhibits these wider challenges, with fairly extreme affordability issues, as demonstrated in **Chapter 4**.
- 7.1.4. This section of the HNA gathers the limited available data on the rate of second home ownership in Harberton Parish that may be used to support policy decisions in this area. The approach is as follows:
- To estimate the **current level** of second home ownership (including commercial holiday lets);
 - To estimate the **financial incentive** for homeowners to use their properties for commercial holiday lets as opposed to long term private rentals; and
 - To discuss the potential **policy options** relating to second homes in the neighbourhood area.

7.2. National Data

- 7.2.1. Before looking at second home ownership levels in the neighbourhood area, it is important to understand the levels of second home ownership, and specifically holiday lets, across the country. According to the English Housing Survey 2018-2019, 2.4 million households in England reported having at least 1 additional residence, with 772,000 of these second homes (including homes primarily used as holiday homes, holiday lets, or working away from home). It was also noted that 57% of second homes were in the UK. Therefore, it could be estimated in 2018/19 that there were at least 440,040 second homes in the UK from households in England, assuming each of 772,000 households above had just 1 additional home.
- 7.2.2. The impact of this nationally is more simply understood as a percentage of all dwellings. There were an estimated 28.9 million dwellings in the UK in 2019¹⁵, meaning that second homes (of which the households that owned them lived in England) in the UK accounted for around 1.5% of total dwellings. The UK second home ownership levels would of course be higher than this when also taking into

¹⁵ Collated dwelling stock data from GOV.UK, GOV.WALES, National Records of Scotland, and Northern Ireland Department of Finance.

account second homes owned by households in Wales, Scotland, and Northern Ireland.

- 7.2.3. According to 2021 Census, 3,026,678 people in England had a second address (somewhere they stay for more than 30 days a year). 76.4% (2,311,039) of these people had a second address within the UK.
- 7.2.4. 14.2% (429,134) of the total second addresses were categorised as holiday homes. It should be noted that this data will not capture holiday homes that are stayed in for less than 30 days a year, it includes people with holiday homes outside the UK, and as it is counted as people with a second address and not households, it may involve some double counting of holiday homes.

7.3. Second Homes and Holiday Lets in Harberton Parish

- 7.3.1. Turning to the neighbourhood area specifically, Harberton Parish contained 558 households and 627 dwellings in 2011, implying that there were 69 dwellings (or 'household spaces') with no usual resident household. 11% of dwellings therefore had no usual residents.
- 7.3.2. Looking to 2021, at this time the neighbourhood area contained 611 households and 661 dwellings, implying 50 dwellings (or 'household spaces') with no usual resident, accounting for 8% of all housing. This represents a reduction in the number of dwellings with no usual residents between 2011 and 2021.
- 7.3.3. For comparison, the rate of dwellings that had no usual residents across South Hams as a whole in 2021 was 15%, almost double the rate in Harberton Parish.
- 7.3.4. For England, the rate was 6%. It is worth noting that across the country (or even the local authority area), dwellings will be empty for different reasons (including being uninhabitable), not just second home ownership. Due to the location of the neighbourhood area it is assumed that the majority of dwellings without usual residents are second homes, either personal or for holiday let.
- 7.3.5. Another way of gauging the number of holiday homes is to look at the number of properties paying business rates (instead of council tax) in that category. This data is correct to the time of writing but has a number of limitations:
- Most importantly, it only gives an indication of the number of commercially rented holiday homes. 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;
 - Holiday homes used by the owner primarily, but also available to rent for part of the year (under 140 days) or rented out informally; and
 - Holiday homes with a stronger commercial purpose, available to rent more than 140 days per year.

- In January 2022 the Government tightened the rules on second homes and business rates. This means that as well as being available for rent for at least 140 days a year, from April 2023, second homeowners will have to prove that holiday lets are being rented out for a minimum of 70 days a year to access small business rates relief.¹⁶
- 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 in a Census return. This indicator is therefore only useful for context and to show the potential size of the tourist sector as opposed to personal-use second homes.

7.3.6. Research was undertaken on the number of properties in the neighbourhood area registered for business rates, specifically self-catering holiday units. As of February 2025, this gave a figure of 15 commercial holiday lets – around a fifth of the dwellings with no usual residents.

7.3.7. High levels of second home ownership in the neighbourhood area, and the demand for second homes, is likely to result in adverse effects on affordability for local people. Therefore, it may be worth assessing here the difference in potential income between private landlords and holiday lets in Harberton Parish. In order to undertake this comparison, the number of whole property holiday lets available for a week rental in peak holiday season (July 2025) was established from holiday rental site Airbnb.¹⁷ The average letting price was then determined, which could then be compared to the average rental price of private rented properties in Harberton Parish. This process is outlined below:

- Average nightly cost of Harberton Parish holiday let (July 2025) from Airbnb properties = £155
- Average weekly cost of above = $£155 * 7 = £1,085$
- Average monthly cost of above = $£1,085 * 4 = £4,340$
- Average monthly cost of private rented dwelling in the neighbourhood area = £1,442

7.3.8. These calculations show that if a holiday let was rented back-to-back, as it could be in the summer months, the income (exclusive of any related costs) associated with the holiday let would be 300% greater than associated with longer term private rental, which may make the area an attractive location for holiday lets.

7.3.9. However, while the potential income difference is clear to see above, there are other factors to be taken into consideration. These include the fact that holiday lets may not be occupied for the whole year, as well as running and maintenance costs (which would be associated with both holiday lets and private rentals), and the greater

¹⁶ Available here: <https://www.gov.uk/government/news/gove-closes-tax-loophole-on-second-homes>

¹⁷ Search of properties as of February 2025

amount of work potentially required with holiday lets in terms of weekly cleaning and booking administration.

- 7.3.10. In the Spring 2024 budget it was announced that in April 2025 the Furnished Holiday Lettings (FHL) tax scheme will be abolished, removing the tax advantage for holiday lets over long-term residential lets. Although the impacts of this are currently unknown, it may lead to landlords converting furnished holiday lets into longer term residential lets or selling properties.

7.4. Policy Considerations

- 7.4.1. Several adopted neighbourhood plans within the wider South Hams district include policies on second homes and principal residences. Notable examples are the neighbourhood plans for Salcombe, South Milton, and Kingston, demonstrating a clear precedent for such measures within the district.
- 7.4.2. 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 and prevents younger households without significant financial help from accessing suitable housing.
- 7.4.3. While it is difficult to establish a direct causal link between second home ownership and declining affordability, the proportion of properties with no usual residents in Harberton Parish (8%) is higher than the national average (6%). Although this difference is modest, it suggests that second homeownership may still be a contributing factor, particularly in the context of South Hams, where the rate is significantly higher at 15%.
- 7.4.4. Although the number of holiday lets in Harberton Parish may be lower than in other parts of the district, AECOM advises that a Principal Residence Policy or similar measure could still provide tangible benefits in managing housing pressures if deemed justified. Given the existing affordability challenges and the potential impact of second homes, implementing such a policy would be a proactive step toward ensuring housing remains accessible for local people. If such a policy is developed, the group should consider refining its approach should new data emerge - such as more precise figures on second home ownership - to better respond to market changes and housing needs.

7.5. Conclusions - Second homes

Dwellings with no usual households

- 7.5.1. According to the 2021 Census, the Harberton Parish has 611 households and 661 dwellings, implying 50 dwellings (or 'household spaces') with no usual household, accounting for 8% of all housing. The equivalent rate for South Hams and England in 2021 was 15% and 6%, respectively.

Long term rent vs holiday let

- 7.5.2. The estimated average monthly rent for a holiday let in Harberton Parish, assuming it is rented back-to-back at the same summer rate throughout the year (which is not guaranteed), is £4,340. The income (exclusive of any related costs) from a holiday let would be three times greater than that from a longer-term private rental, which may make the area an attractive location for holiday lets.
- 7.5.3. However, while the potential income difference is clear to see above, there are other factors to be taken into consideration. These include the fact that holiday lets may not be occupied for the whole year, as well as running and maintenance costs (which would be associated with both holiday lets and private rentals), and the greater amount of work potentially required with holiday lets in terms of weekly cleaning and booking administration.

Policy Considerations

- 7.5.4. The affordability evidence establishes a clear context of poor and worsening affordability in Harberton Parish.
- 7.5.5. While it is difficult to establish a direct causal link between second home ownership and declining affordability, the proportion of properties with no usual residents in Harberton Parish (8%) is higher than the national average (6%). Although this difference is modest, it suggests that second homeownership may still be a contributing factor, particularly in the context of South Hams, where the rate is significantly higher at 15%.
- 7.5.6. Although the number of holiday lets in Harberton Parish may be lower than in other parts of the district, AECOM advises that a Principal Residence Policy or similar measure could still provide tangible benefits in managing housing pressures if deemed to be justified. Given the existing affordability challenges and the potential impact of second homes, implementing such a policy would be a proactive step toward ensuring housing remains accessible for local people. As this policy is developed, the group should consider refining its approach should new data emerge - such as more precise figures on second homeownership - to better respond to market changes and housing needs.

8. Next Steps

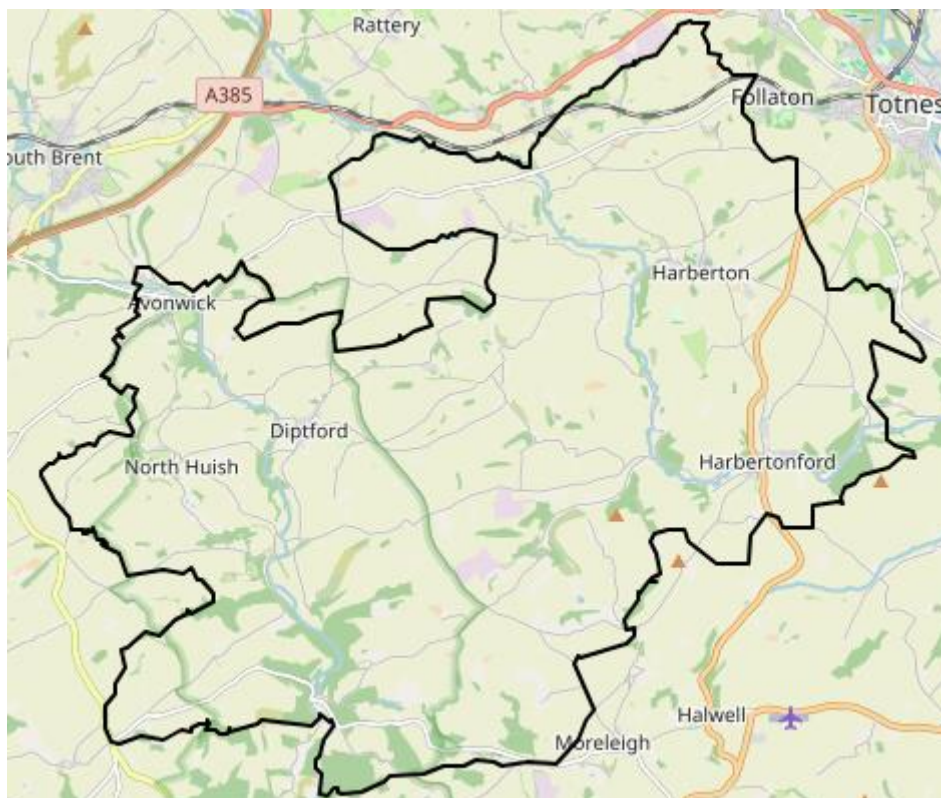
8.1. Recommendations for next steps

- 8.1.1. This Neighbourhood Plan housing needs assessment aims to provide Harberton Parish Neighbourhood Plan Steering Group with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with South Hams District Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
 - The views of South Hams District Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by South Hams District Council.
- 8.1.2. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
- 8.1.3. Bearing this in mind, it is recommended that the Harberton Parish Neighbourhood Plan Steering Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, South Hams District Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 8.1.4. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Assessment geography

- A.1 For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The neighbourhood area equates to the following combination of OAs:
- E00102004
 - E00102005
 - E00102006
 - E00102007
- A.2 Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. The most relevant LSOA in this case, which will need to be used as a proxy for the neighbourhood area, is E01020143 (South Hams 006B).

Figure A-1: Map of LSOA for VOA Data



Source: NOMIS

- A.3 Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the neighbourhood area is located and which will need to serve as a proxy for it, is E02004194 (South Hams 006).

Figure A-2: Map of MSOA for Income Data



Source: NOMIS

Appendix B : Local Plan context

Policies in the adopted local plan

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

Table B-1: Summary of relevant adopted policies in the adopted Local Plan for South Hams (the 'JLP')

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	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: • '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.

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.

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 '*if the proposal is considered detrimental to the housing mix of the parish*', 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.

Policy	Provisions
Policy TTV25 - Development in the Sustainable Villages	Across all the 'Sustainable Villages' within the JLP Plan Area, a total of 500 new dwellings are sought between 2014 – 2034. Indicative target figures are also provided for each individual Sustainable Village: • Harberton – approximately 20 dwellings. • Harbertonford – approximately 30 dwellings. 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: • Neighbourhood plans. • Development management policies. • Separate planning studies.
Strategic Objective SO9 – Maintaining the viability of the many sustainable villages in the rural area	Strategic Objective SO9 outlines the conditions that development in 'Sustainable Villages' should seek to improve/preserve. The points relevant to housing include: • <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	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.
Policy TTV27 – Meeting local housing needs in rural areas	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. 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>

Policy	Provisions
Policy DEV8 – Meeting local housing need in the thriving towns and villages policy area	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. 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. 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. 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.
Policy DEV9 – Meeting local housing need in the Plan Area	Policy DEV9 provides further guidance on the general provision of housing throughout the Local Plan area: • <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> 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)).

Source: Plymouth and South West Devon Joint Local Plan (2017)

Appendix C : Affordability calculations

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

Market housing

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

Market sales

- C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
- C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in 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.
- C.5 The calculation for the purchase threshold for market housing is as follows:
- Value of a median neighbourhood area house price (2024) = £285,000;
 - Purchase deposit at 10% of value = £28,500;
 - Value of dwelling for mortgage purposes = £256,500;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £73,286.
- C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2024 was £260,000, and the purchase threshold is therefore £66,857.

- C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records no sales of new build properties in the neighbourhood area since 2018. Consequently, there were too few recent sales in the neighbourhood area specifically to determine an accurate average for the cost of new build housing in Harberton Parish. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).
- C.8 Therefore an estimate has been calculated by determining the uplift between terrace prices in 2024 across South Hams and new build terrace house prices in 2024 in the same area.¹⁸ This percentage uplift (or 'new build premium') is then applied to the 2024 lower quartile house price in the neighbourhood area to give an estimated neighbourhood area new build entry-level house price of £278,518 and purchase threshold of £71,619.
- C.9 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across South Hams in 2024. The median cost of new build dwellings in South Hams was £316,475, with a purchase threshold of £81,379.

Private Rented Sector (PRS)

- C.10 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
- C.11 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.12 The property website Home.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the TQ9 postcode area, which covers a larger area than the Plan area itself

¹⁸ Terraced houses were selected for this estimate as they best represent entry-level homes. While using the price uplift on flats would have also been suitable, insufficient data was available for this analysis.

but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

- C.13 According to home.co.uk, there were 15 properties for rent at the time of search in February 2025, with an average monthly rent of £1,442. There were three one or two-bed properties listed, with an average price of £1,050 per calendar month.
- C.14 The calculation for the private rent income threshold for entry-level (one or two bedroom) dwellings is as follows:
- Annual rent = £1,050 x 12 = £12,600;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £42,000.
- C.15 The calculation is repeated for the overall average to give an income threshold of £57,680.

Affordable Housing

Social rent

- C.16 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.
- C.17 To determine social rent levels, 2021 data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Harberton Parish. This data provides information about rents and the size and type of stock owned and managed by private registered providers and local authorities and is presented for South Hams in **Table C-1**.
- C.18 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£83.16	£92.59	£103.45	£114.16	£94.73
Annual average	£4,324	£4,815	£5,379	£5,936	£4,926
Income needed	£14,414	£16,049	£17,931	£19,788	£16,420

Source: Homes England, AECOM Calculations

Affordable rent

- C.19 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is capped).
- C.20 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
- C.21 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for South Hams. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.22 Comparing this result with the average two-bedroom annual private rent above indicates that affordable rents in the neighbourhood area are actually closer to 40% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£96.45	£122.59	£144.87	£180.63	£127.76
Annual average	£5,015	£6,375	£7,533	£9,393	£6,644
Income needed	£16,718	£21,249	£25,111	£31,309	£22,145

Source: Homes England, AECOM Calculations

Affordable home ownership

- C.23 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

Discounted Market Sale/ First Homes

- C.24 Discounted market sale homes are affordable home ownership products which offer a discount of at least 20% on market values.
- C.25 First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;

- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.

C.26 The starting point for considering whether Discounted Market Sale/First Homes are affordable is the estimated cost of new build entry-level housing in the neighbourhood area noted above of £278,518.

C.27 For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (estimated neighbourhood area new build entry-level) = £278,518;
- Discounted by 30% = £194,963;
- Purchase deposit at 10% of value = £19,496;
- Value of dwelling for mortgage purposes = £175,466;
- Divided by loan to income ratio of 3.5 = purchase threshold of £50,133.

C.28 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home. This would require an income threshold of £57,295, £42,971 and £35,809, respectively.

C.29 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

C.30 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 £1,750 per sq. m¹⁹) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be a potential issue for entry-level new builds with the 50% discounts, if offered in Harberton Parish.

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

- C.31 **Table C-3** shows the discount required for market homes to be affordable to the three income groups. The cost of a typical discounted market sale property/First Home is calculated using an estimate for new build entry-level housing in the neighbourhood area. However, it is worth thinking about these properties in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
Neighbourhood area median house price	37%	80%	60%
Neighbourhood area estimated new build entry-level house price	35%	80%	59%
Neighbourhood area entry-level house price	31%	78%	56%
Local authority median new build house price	43%	82%	64%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

- C.32 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
- C.33 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
- C.34 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

C.35 The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £278,518 is £69,630;
- A 10% deposit of £6,963 is deducted, leaving a mortgage value of £62,667;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £17,905;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £208,889;
- The estimated annual rent at 2.5% of the unsold value is £5,222;
- This requires an income of £17,407 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £35,312 (£17,905 plus £17,407).

C.36 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £28,051 and £47,414, respectively. These are all below the £80,000 household income cap for eligible households.

Rent to Buy

C.37 Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

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

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

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

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	15.0	Number of residents (of Harberton and Harbertonford) on the housing register as of February 2025. Data provided by South Hams District Council in 2025.
1.2 Per annum	1.5	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	54.5	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to neighbourhood area.
2.2 Proportion of new households unable to rent in the market	16.9%	(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 neighbourhood area	48.0	2021 Census social rented households
2.2.2 Number of private renters on housing benefits	45.7	Housing benefit caseload. Pro rata for neighbourhood area.
2.3 New households unable to rent	9.2	Step 2.1 x Step 2.2.
2.4 Per annum	0.9	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers)	2.0	Average annual re-let rate between 2020 and 2025 in Harberton Parish. Data provided by South Hams District Council in February 2025.
NET SHORTFALL OF RENTED UNITS PER ANNUM		
Overall shortfall per annum	0.4	Step 1.2 + Step 2.4 - Step 3.2

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

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

households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.²¹ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the neighbourhood area.

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

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in neighbourhood area	139.0	Census 2021 private rented households.
1.2 Percentage renters on housing benefit in LA	32.9%	% of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in the neighbourhood area	45.7	Step 1.1 x Step 1.2.
1.4 Current need (households)	70.0	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ²²
1.5 Per annum	7.0	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	54.5	LA household projections for plan period (2018 based) pro rated to neighbourhood area.
2.2 % of households unable to buy but able to rent	12.4%	(Step 1.4 + Step 3.1) divided by number of households in neighbourhood area.
2.3 Total newly arising need	6.8	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	0.7	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		

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

²² The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership e.g. <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain point in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality, they could use the results of a local residents survey to refine or confirm this calculation.

3.1 Supply of affordable housing	10.0	Number of shared ownership homes in the neighbourhood area (Census 2021).
3.2 Supply - intermediate resales	0.5	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	7.2	(Step 1.5 + Step 2.4) - Step 3.2.

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

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

Affordable housing policy

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

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

Consideration	Local Evidence
A. Evidence of need for Affordable Housing: The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.	This HNA suggests that there is a need for four units of social/affordable rented housing and 72 units of affordable home ownership homes in Harberton Parish over the Neighbourhood Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.
B. Can Affordable Housing needs be met in full? How far the more urgently needed affordable rented housing should be prioritised in the	If the JLP target of 30% were achieved on every site, assuming the delivery of the neighbourhood area's indicative housing requirement for 50 homes overall, up to 15 affordable homes might be expected in the

tenure mix depends on the quantity of overall housing delivery expected.	neighbourhood area over Neighbourhood Plan period. This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. Therefore, the more urgent and acute need for rented housing should be prioritised.
C. Government policy (e.g. NPPF) requirements: There is no required tenure mix set out in national policy (NPPF 2024) but local authorities are required to set out the minimum proportion of Social Rented housing needed in their areas as part of their Affordable Housing requirements.	Implicit prioritisation of Social Rented homes within Affordable Housing policy at the nation level but local authorities have flexibility to set out the proportion needed in their areas. Local Plan tenure mix provides the starting point.
D. Local Plan policy:	The JLP's specifies a preferred tenure mix split of 65% affordable rent and 35% affordable home ownership.
E. Viability:	HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the 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 affordable home ownership properties.
F. 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 Harberton Parish Neighbourhood Plan Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
G. Existing tenure mix in Harberton Parish: The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a	10% of Harberton Parish's housing stock is in affordable tenures (split 8% social/affordable rent to 2% affordable ownership). This rate is lower than the equivalent for South Hams (13%) and England (18%), indicating a potential gap in the market.

consideration in the mix of tenures provided on new development sites.	
H. Views of registered providers:	It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage social/affordable rented homes in the neighbourhood area. The funding arrangements available to housing associations will also influence rent levels.
I. Wider policy objectives:	The Harberton Parish Neighbourhood Plan Steering Group 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 aged people to the neighbourhood area. These wider considerations may influence the mix of Affordable Housing provided.

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Harberton Parish

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

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

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

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	51	23.3%	48	21.9%	120	54.8%
Owned Total	27	16.6%	35	21.5%	101	62.0%
Owned outright	25	17.6%	30	21.1%	87	61.3%
Owned (mortgage) or shared ownership	2	9.5%	5	23.8%	14	66.7%
Rented Total	24	42.9%	13	23.2%	19	33.9%
Social rented	14	46.7%	7	23.3%	9	30.0%
Private rented or living rent free	10	38.5%	6	23.1%	10	38.5%

Source: DC3408EW Health status

HLIN calculations

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

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

Source: Housing LIN SHOP Toolkit

E.1 As **Table 6-1** in the main report shows, Harberton Parish is forecast to see an increase of 53 individuals aged 75+ by the end of the Neighbourhood Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.053 = 6$
- Leasehold sheltered housing = $120 \times 0.053 = 6$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.053 = 1$
- Extra care housing for rent = $15 \times 0.053 = 1$
- Extra care housing for sale = $30 \times 0.053 = 2$
- Housing based provision for dementia = $6 \times 0.053 = <1$

Appendix F : Housing Needs Assessment

Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

a) Social Rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent; (b) the landlord is a registered provider; and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision.

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

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

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

Affordable rented housing

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

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard²⁴

The bedroom standard is a measure of occupancy (whether a property is overcrowded or under-occupied, based on the number of bedrooms in a property and the type of household in residence). The Census overcrowding data is based on occupancy rating (overcrowding by

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

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

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

Co-living

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

Community-led developments (NPPF definition)

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

Community Right to Build Order

A community right to build order is a special kind of neighbourhood development order, granting planning permission for small community development schemes, such as housing or new community facilities. Local community organisations that meet certain requirements or parish/town councils are able to prepare community right to build orders. The NPPF 2024 specifically defines it as follows: An Order made by the local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a site-specific development proposal or classes of development.

Concealed Families (Census definition)²⁵

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

Equity Loans/Shared Equity

²⁵ See

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

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

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Need (NPPG 2024 definition)

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

Housing Needs Assessment

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

Housing Products

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

Housing Requirement (NPPF 2024 Definition)

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the Neighbourhood Plan period on the basis of changes in the distribution of household types and key age brackets (life stages) within the neighbourhood area. 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 neighbourhood area falling within its defined Housing Market Area.

Life-time Homes

Dwellings constructed to make them more flexible, convenient adaptable and accessible than most 'normal' houses, usually according to the Lifetime Homes Standard, 16 design criteria that can be applied to new homes at minimal cost: <http://www.lifetimehomes.org.uk/>. Lifetime Homes standards have been broadly wrapped up into the M4(2) optional building regulations standards which relate to accessibility and adaptability of dwellings.

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁶, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing²⁷

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

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (former NPPF 2012 Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

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

²⁸ See

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

