



# Market Bosworth Housing Needs Assessment (HNA)

July 2020

## Quality information

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

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
HBBC	Hinckley and Bosworth Borough Council
HNA	Housing Needs Assessment
HNF	Housing Need Figure
Housing LIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
LQAR	Lower Quartile Affordability Ratio
LTHPD	Long-Term Health Problem or Disability
MAR	Median Affordability Ratio
MBPC	Market Bosworth Parish Council
MH	Market Housing
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood (Plan) Area
NDO	Neighbourhood Development Order
NDP	Neighbourhood Development Plan
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

## 1. Executive Summary

1. The Market Bosworth Neighbourhood Plan has already been made, and is not required to be significantly updated in the near future. However, the minimum housing requirement for Market Bosworth, derived from the Hinckley and Bosworth Core Strategy 2006-2026, has effectively been invalidated because Hinckley and Bosworth Borough Council (HBBC) is unable to demonstrate an adequate supply of deliverable housing for the next five years.
2. Market Bosworth Parish Council (MBPC) have been advised by HBBC that the Neighbourhood Plan should include an up-to-date housing requirement if it is to remain robust and a material consideration in the determination of planning applications.
3. In line with its new obligations under NPPF 2019's paragraphs 65 and 66, HBBC has stated it will be providing Market Bosworth with a Housing Requirement Figure (HRF) as part of the next iteration of the borough's emerging Local Plan. However, the neighbourhood planners have asked if AECOM is able to calculate an interim Housing Needs Figure (HNF) in line with national policy and best practice, which can be included in the adopted Neighbourhood Plan to ensure that it remains robust until HBBC provides Market Bosworth with a final HRF.
4. Note that there is a difference between a HNF and a HRF: while a HNF is a measure of unconstrained 'need', a HRF also takes supply-side factors into account in generating a final, policy-on requirement. As such, it is possible that the HRF that will eventually supersede the HNF in this HNA will be different as a result of those additional factors.
5. The starting point for this calculation is the overall housing need for the borough in which Market Bosworth sits. Using the standard method for calculating housing need, as set out in Planning Practice Guidance (PPG), the Local Housing Need (LHN) figure for Hinckley and Bosworth is calculated to be 452 net additional dwellings per year.
6. At the time of the last Census, there were 2,097 people living in Market Bosworth, or 2% of the 105,078 people in Hinckley and Bosworth. Therefore, applying this percentage (2%) to Hinckley and Bosworth's LHN of 452 gives an indicative HNF for Market Bosworth of 9 dwellings (rounded) per annum, or 108 dwellings over the Neighbourhood Plan period 2014-2026.
7. This indicative HNF may, in the next step, be adjusted in light of HBBC's strategy for the pattern and scale of development across the borough. Having reviewed this spatial strategy, in which Market Bosworth is classified as a Key Rural Centre, AECOM has, however, determined that the indicative HNF cited above should not be adjusted.
8. This is because HBBC's spatial strategy is not quantified in such a way that it can be used to adjust the indicative HNF – a situation that is not uncommon. That said, the fact that population figures are a key consideration in HBBC's Hinckley and Bosworth's settlement hierarchy means that the baseline approach to calculating the HNF taken above – a key input to which being the proportion of Hinckley and Bosworth's population living in the Market Bosworth NA – suggests that the spatial strategy is already reflected to some degree.
9. The next step is to subtract any net completions of new dwellings that have occurred since the beginning of the Neighbourhood Plan period, i.e. the period between 2014 and present, as well as to consider commitments (planning permissions that are yet to be implemented).
10. HBBC have confirmed that there have been 16 dwelling completions in the Market Bosworth NA between 1 April 2014 and 31 March 2020 (dates align with annual monitoring periods). As of 23 June 2020, there are currently 93 dwelling commitments over the same period. AECOM recommends that commitments should not yet be discounted from the overall quantity figure; it is only once they are completed that this can take place.
11. After deducting the 16 completions from the HNF of 108 dwellings (over the entire Plan period), a residual HNF of 92 dwellings remains. Because six years have elapsed since the beginning of the Plan period, this residual HNF therefore equates to 15 dwellings (rounded) per year for the remainder of the Plan period to 2026.
12. The residual HNF of 92 dwellings would nearly be met by the number of outstanding dwelling commitments (88 dwellings). Assuming that the 8 committed dwellings are built by 2026, Market Bosworth's development needs (in terms of overall quantity, if not mix) would be met through the provision of only 4 additional homes.
13. The neighbourhood planners may, however, wish to allocate more homes to exceed this HNF or to insure against the eventuality that some of the 88 outstanding commitments do not get built in the timeframe of the Neighbourhood Plan.
14. In conclusion, this HNA recommends an overall HNF of 108 dwellings, which equates to 9 dwellings per year between 2014 and 2026, or a residual HNF of 92 dwellings, which equates to 15 (rounded) dwellings per year between 2020 and 2026. There are currently 88 outstanding dwelling commitments in the NA, which would be nearly sufficient to satisfy the total housing need identified here, leaving only 4 further homes to be required. It is, however, worth

caveating that quite often permissions are not implemented and so this does not guarantee they will be delivered (within the Plan period or at all).

15. When HBBC provides a final, official HRF it will supersede the figure provided in this HNA (if it comes to a different total). Whether the inclusion of the interim HNF constitutes a material change to the adopted Neighbourhood Plan, and whether the Plan will need to be updated again in line with HBBC's final figure when that is provided, are questions that should be answered by HBBC and are not at issue here.
16. Note for comparison that the potential minimum housing need for the ward of Cadeby, Carlton and Market Bosworth with Shackerstone provided in the 2019 Housing Needs Study for Hinckley and Bosworth was expressed as a range of between 14 and 18 dwellings per year depending on the demographic scenario used. Given that Market Bosworth, at 2,097 people, constitutes 60% of the wider ward's total population of 3,492 (at the time of the 2011 Census), it can be considered reasonable to assume that Market Bosworth's share of the ward's potential housing need is also approximately 60%.
17. This would equate to 8-11 (rounded) dwellings per year, which aligns closely with the baseline HNF calculated here of 9 dwellings per year. The Housing Needs Study states that "caution should be used when interpreting these figures, and they should not be considered as a target for any particular area". If a similar methodology is employed when HBBC provide MBPC with a final HRF for the NA, it is likely to produce a similar HNF to that identified here. That said, HBBC are also able to apply additional considerations, such as a strategy for future growth or land availability evidence, which may affect the final HRF.
18. The housing figure for Hinckley and Bosworth is derived from the Government's Standard Methodology and is likely to change annually as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in Hinckley and Bosworth and any indicative housing requirement figure provided by Hinckley and Bosworth for neighbourhood areas.
19. On the basis of the residual HNF of 92 identified here, it is possible to estimate the potential delivery of Affordable Housing in the Market Bosworth NA during the Plan period. Policy 15 in the Hinckley and Bosworth Local Plan 2006-2026 requires that all sites providing 4 dwellings or more (or measuring 0.13 ha or more) outside of the Urban Area provide Affordable Housing at a rate of 40% of all housing. Assuming that 92 new dwellings come forward in Market Bosworth on sites large enough to meet the threshold described in Policy 15, approximately 37 units of Affordable Housing can be expected to be provided.
20. Policy 15 also goes further to set a target split, within Affordable Housing, between social rented accommodation (75%) and intermediate housing, such as shared ownership, discounted market housing and the Government's new First Homes product (25%). If this target tenure split is achieved for a total of 37 units of Affordable Housing, approximately 28 dwellings will be delivered as social rented accommodation and 9 dwellings as intermediate tenures.

## 2. Context

### 2.1 Local context

21. Market Bosworth is a Neighbourhood Plan area (NA) located in the borough of Hinckley and Bosworth in Leicestershire. The NA boundary is aligned with the parish boundary of Market Bosworth, which also includes the settlement of Far Coton. The NA was designated in 2013.
22. The Market Bosworth Neighbourhood Plan was made in 2015, following a successful referendum in September of that year. The Plan period started in 2014 and extends to 2026, therefore comprising a planning period of 12 years.
23. The statistics show that the NA had a total of 2,097 residents at the time of the 2011 Census.
24. A map of the Plan area appears below in Figure 2-1.

**Figure 2-1: Map of the Market Bosworth Neighbourhood Plan area**



Source: Market Bosworth Neighbourhood Plan 2014-2026

## 2.2 Planning policy context

26. In line with the Basic Conditions<sup>1</sup> of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies.<sup>2</sup> Consequently, the relevant elements of the Local Plan are reviewed as part of this Housing Needs Assessment (HNA). Note that, because the Neighbourhood Plan policies have already been adopted and this HNA serves only to provide a housing need figure, only the Local Plan policies with relevance to this specific item have been reviewed.
27. In the case of Market Bosworth, the relevant local planning context is as follows:
28. The Hinckley and Bosworth Local Plan 2006-2026 provides the overall planning framework for the borough to 2026. It was formally adopted in December 2009 and comprises the following documents:
  - Core Strategy Development Plan Document (DPD);
  - Site Allocations and Development Management Policies DPD; and
  - Area Action Plans for 1) Hinckley Town Centre and 2) Earl Shilton and Barwell.
29. Hinckley and Bosworth Borough Council (HBBC) are currently in the process of preparing a new Local Plan, which will set out land allocations and planning policies for the period 2016-2036. The emerging Local Plan is currently being drafted following a scope, issues and options consultation, which was undertaken between January and February 2018.
30. The emerging Local Plan is expected to be published in draft form in 2020. Further consultation stages are required before the Plan reaches examination and adoption. Examination is currently anticipated for April 2021. At present no draft version of the emerging Local Plan exists in the public domain, and therefore it cannot be reviewed in this HNA.
31. Another important aspect of the planning context in Hinckley and Bosworth is the borough's five-year land supply position. The Residential Land Availability Monitoring Statement for 1 April 2018 – 31 March 2019 concluded that Hinckley and Bosworth requires a total of 2,400 deliverable dwellings over the five years beginning in 1 April 2019. However, the estimated deliverable supply of housing over the same period is 1,993 dwellings, leaving the borough with a shortfall of 407 dwellings during the period.
32. Where a Local Planning Authority (LPA) cannot demonstrate an adequate supply of specific deliverable housing sites to meet its housing need for the next five years, its planning policies may be considered out-of-date and the 'presumption in favour of sustainable development' set out in the 2019 National Planning Policy Framework (NPPF) will apply.<sup>3</sup> The presumption in favour of sustainable development, in such a case, means that permission should be granted to all development proposals in the affected area unless those proposals contravene policies in the NPPF or have clear adverse impacts that significantly and demonstrably outweigh their benefits when assessed against the NPPF. Effectively, national policy takes over from local policy, and specific Local Plan policy provisions are given less weight.
33. The relevance of this to the Market Bosworth Neighbourhood Plan is that the minimum housing requirement for the NA, which is derived from the Hinckley and Bosworth Core Strategy (now considered out-of-date), needs to be replaced with a new independently assessed figure for the Neighbourhood Plan to remain robust. This is discussed in further detail in the Approach section below.

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<sup>1</sup> Available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

<sup>2</sup> However, this does not affect the potential for the evidence base underpinning the emerging local plan to inform or form part of the evidence base for the neighbourhood plan.

<sup>3</sup> See paragraph 11 of the 2019 NPPF, available at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/810197/NPPF\\_Feb\\_2019\\_revised.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf)

## 2.2.1 Policies in the adopted local plan<sup>4</sup>

**Table 2-2: Summary of Hinckley and Bosworth adopted policies having relevance to the Market Bosworth Neighbourhood Plan Housing Needs Assessment**

<b>Policy</b>	<b>Provisions</b>
Paragraph 4.2, which cites Policy 13a in the East Midlands Regional Plan	The Local Planning Authority of Hinckley and Bosworth should plan to deliver 9,000 new dwellings during the period 2006-2026, or 450 per annum.
Core Strategy Policy 11: Key Rural Centres Stand Alone	To support local services and maintain rural population levels, land for the development of a minimum of 100 new homes will be allocated. The mix of housing provided should meet identified needs within Market Bosworth.
Site Allocations and Development Management Policy SA5: Land South of Station Road and Heath Road, Market Bosworth	Proposals for the site named in the policy should provide approximately 100 dwellings, with a density, mix and design in line with Core Strategy policies (including Affordable Housing provision).  The residual minimum housing requirement for Market Bosworth after deducting existing dwelling commitments (as of September 2014) is 43 dwellings. The site allocation for 100 dwellings meets the remaining minimum requirement.

Source: *Hinckley and Bosworth Core Strategy*, available at: [https://www.hinckley-bosworth.gov.uk/downloads/file/487/core\\_strategy\\_adopted\\_document](https://www.hinckley-bosworth.gov.uk/downloads/file/487/core_strategy_adopted_document);

*Hinckley and Bosworth Site Allocations and Development Management DPD*, available at: [https://www.hinckley-bosworth.gov.uk/downloads/file/5295/site\\_allocations\\_and\\_development\\_management\\_policies\\_dpd\\_-\\_adopted\\_july\\_2016](https://www.hinckley-bosworth.gov.uk/downloads/file/5295/site_allocations_and_development_management_policies_dpd_-_adopted_july_2016)

*East Midlands Regional Strategy*, available at: [https://www.northamptonshire.gov.uk/councilservices/environment-and-planning/planning/planning-policy/strategic-land-use-planning/documents/PDF%20Documents/East\\_Midlands\\_Regional\\_Plan2.pdf](https://www.northamptonshire.gov.uk/councilservices/environment-and-planning/planning/planning-policy/strategic-land-use-planning/documents/PDF%20Documents/East_Midlands_Regional_Plan2.pdf)

<sup>4</sup> Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

## 3. Approach

### 3.1 Research Questions

34. Research Questions, abbreviated to 'RQ;' are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct the research and provide the structure for the HNA.
35. The RQ relevant to this study, as discussed and agreed with Market Bosworth Parish Council (MBPC), is set out below.

#### 3.1.1 Quantity

36. The Market Bosworth Neighbourhood Plan has already been made, and is not required to be significantly updated in the near future. However, the minimum housing requirement for Market Bosworth, derived from the Hinckley and Bosworth Core Strategy 2006-2026, has effectively been invalidated because HBBC is unable to demonstrate an adequate supply of deliverable housing for the next five years.
37. MBPC have been advised by HBBC that the Neighbourhood Plan should include an up-to-date housing requirement if it is to remain robust and a material consideration in the determination of planning applications in the NA.
38. In line with its new obligations under NPPF 2019's paragraphs 65 and 66, HBBC has stated it will be providing Market Bosworth with a Housing Requirement Figure (HRF) as part of the next iteration of the borough's emerging Local Plan. However, the neighbourhood planners have asked if AECOM is able to calculate an interim Housing Needs Figure (HNF) in line with national policy and best practice, which can be included in the adopted Neighbourhood Plan to ensure that it remains robust until HBBC provides Market Bosworth with a final HRF (see paragraph 50 for definitions).
39. When HBBC provides this final HRF it will supersede the figure provided in this HNA (if it comes to a different total). Whether the inclusion of the interim HNF constitutes a material change to the adopted Neighbourhood Plan, and whether the Plan will need to be updated again in line with HBBC's final figure when that is provided, are questions that should be answered by HBBC and are not at issue in this document.
40. With all this in mind, an appropriate RQ for this study is as follows:

***RQ 1: What quantity of housing in the Neighbourhood Area should be planned for over the Plan period?***

## 3.2 Relevant Data

### 3.2.1 Local authority evidence base

41. It is appropriate for neighbourhood planners to refer to existing needs assessments prepared by the LPA as a starting point. As Market Bosworth Neighbourhood Area is located within Hinckley and Bosworth's planning area, we therefore turned to the relevant housing needs evidence for the borough. This includes:
  - Housing and Economic Development Needs Assessment for the Leicester and Leicestershire Authorities, published in January 2017; and
  - Housing Needs Study for Hinckley and Bosworth Borough Council, published in November 2019.<sup>5</sup>
42. The latter puts forward an assessment of the future housing need per annum for Market Bosworth under two scenarios. The two estimates, based on different demographic scenarios, are 14 and 18 dwellings per annum.
43. However, these assessments relate to a wider area than Market Bosworth alone. The NA has been grouped together with Cadeby, Carlton and Shackerstone in the Housing Needs Study. AECOM understands that these settlements together represent the ward of Cadeby, Carlton and Market Bosworth with Shackerstone. As such, this cannot serve as the Housing Requirement Figure (HRF) for the Market Bosworth NA alone. The study does, however, provide a useful benchmark for various steps in the calculation undertaken here and will be reviewed as a cross-check.
44. Because no new or amended housing policies are under consideration for the Market Bosworth Neighbourhood Plan, the other LPA evidence (for example, relating to the need for various types, sizes and tenures of housing) has not been reviewed or reproduced in this HNA.

<sup>5</sup> Available at: [https://www.hinckley-bosworth.gov.uk/downloads/file/6849/housing\\_needs\\_study\\_nov\\_2019](https://www.hinckley-bosworth.gov.uk/downloads/file/6849/housing_needs_study_nov_2019).

### 3.2.2 Other relevant data

45. Because of the limited scope of this HNA, it relies primarily on data from the Census 2011, in addition to 2014-based household projections, with reference to the housing need work undertaken at borough-level, described above. Beyond this, no other data sources have been drawn upon.

## 4. RQ 1: Quantity

### **RQ 1: What quantity of housing in the Neighbourhood Area should be planned for over the Plan period?**

#### 4.1 Introduction

46. The 2019 NPPF (paragraph 65) states that strategic policy-making authorities “should establish a housing requirement figure for their whole area which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the Plan period. Within this overall requirement, strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations”.
47. NPPF paragraph 66 states that “Where it is not possible to provide a requirement figure for a neighbourhood area<sup>6</sup> the local planning authority should provide an indicative figure, if requested to do so by the neighbourhood planning body”. This ‘indicative’ figure should (amongst other things) “take into account factors such as the latest evidence of local housing need, the population of the neighbourhood area and the most recently available planning strategy of the planning authority.”<sup>7</sup>
48. Given that the minimum housing requirement figure for Market Bosworth provided in the Hinckley and Bosworth Core Strategy has been called into question, there is the potential to calculate an objectively assessed Housing Need Figure (HNF) for the Neighbourhood Plan area.
49. In calculating this HNF, it should be noted that paragraphs 65 and 66 place specific obligations on strategic or local planning authorities and no other parties (i.e. AECOM is not obliged to follow directly paragraphs 65 and 66). That said, AECOM’s calculation will be of most use as a starting point, both to the neighbourhood group and to the LPA, if it can seek to mirror the NPPF suggested approach as closely as possible, and so this is the reasonable approach that has been taken.
50. The Planning Practice Guidance<sup>8</sup> states that “Housing need is an unconstrained<sup>8</sup> assessment of the 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”.
51. A housing need figure is a ‘policy-off’ figure. This means that, while it takes account of the factors set out paragraph 66 of the NPPF and dwelling completions over the course of the Plan period, it is an expression of total housing demand unconstrained by the limits of the land available to build on. It is also unconstrained by the impact of policies that either facilitate or obstruct development. A policy-off figure can then be reviewed in light of further evidence including environmental constraints, land availability, relevant Local and Neighbourhood Plan objectives and policies, to formulate a ‘policy-on’ Neighbourhood Plan housing requirement figure.
52. This is the difference between a HNF and a HRF: while a HNF is a measure of unconstrained ‘need’, a HRF also takes supply-side factors into account in generating a final, policy-on requirement. As such, it is possible that the HRF that will eventually supersede the HNF in this HNA will be different as a result of those additional factors.
53. The HNF is estimated using a four-step approach seeking to reflect to the maximum extent the 2019 NPPF and Planning Practice Guidance (PPG) advice. This is set out in the box overleaf.

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<sup>6</sup> For example, this could be where a neighbourhood area has been designated at a late stage in the strategic policy-making process, or after strategic policies have been adopted; or in instances where strategic policies for housing are out of date.

<sup>7</sup> NPPF, paragraph 66, available at <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

<sup>8</sup> Paragraph: 001 Reference ID: 2a-001-20190220 at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

**Step 1: “the population of the neighbourhood area”**

The HNF for the Neighbourhood Plan area should take as its starting point the housing target for the Local Planning Authority (LPA) in which it sits. The baseline for our calculation for NA is therefore a share of the current LPA Local Housing Need (LHN) figure that reflects the share of the LPA population living in the Plan area.

NPPF requires Local Authorities, and anyone calculating LHN in their place, to use the standard method.<sup>9</sup> This calculation takes the most recent MHCLG-approved household population projection for the LPA, applies to it an uplift based on the most recent ONS affordability ratio for that area, and then applies a cap to that number if certain conditions are met.

**Step 2: “most recently available planning strategy of the planning authority”**

The NPPF guidance then states that the initial HNF for neighbourhood plans should reflect “the overall strategy for the pattern and scale of development and any relevant allocations,”<sup>10</sup> and “the most recently available planning strategy of the local planning authority.”<sup>11</sup>

This means introducing Local Authority spatial policy, housing targets, and assessments of housing need at different scales to estimate a more locally appropriate proportion of the LPA housing target that should be provided in NA. This will often result in a slightly different figure to that produced in Step 1.

**Step 3: Dwelling completions**

Next, any dwellings that have already been completed over the Plan period to the present date should be deducted from the total in order to provide a HNF for the remainder of the Plan period and an annual HNF that reflects past under- or over-delivery. While it is appropriate to consider existing commitments (i.e. dwellings with planning permission, but not yet completed) at this point, they should not be deducted from the total until they are completed.

**Step 4: the Local Planning Authority**

The NPPF makes it clear that the LPA should provide housing numbers to designated neighbourhood planning areas within their area where requested to do so. To this extent, AECOM is performing a similar role to that required of the LPA in providing a HNF to the Neighbourhood Plan area. With this in mind, it is important the group share the HNF and underlying methodology once they have received the final version of this document with the LPA to seek confirmation it is aligned with their current planning strategy, in particular those circumstances which may justify an uplift to the HNF set out in PPG.<sup>12</sup>

54. Employing this methodology, the HNF for the Neighbourhood Area may be calculated as follows:

<sup>9</sup> <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

<sup>10</sup> NPPF, paragraph 65.

<sup>11</sup> Ibid.

<sup>12</sup> Paragraph: 010 Reference ID: 2a-010-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

## 4.2 Standard method (Step 1)

55. Firstly, the Local Housing Need (LHN) for the LPA is calculated using the standard method outlined in Planning Policy Guidance, before taking the population of the Neighbourhood Plan area, and calculating the proportion of the total population of the LPA area that it represents. This percentage will then be used to determine the share of the LPA target that should be apportioned to the Neighbourhood Plan area as a baseline step.
56. The Hinckley and Bosworth LHN figure, using the standard method, is calculated as follows<sup>13</sup>:
57. **Stage one** is to set the baseline, by calculating the projected average annual household growth in Hinckley and Bosworth over a 10-year period, beginning with the current year, using the most recent ONS household projections:
- According to Hinckley and Bosworth's 2014-based household projection, the projected number of households in 2020 is 48,985, and the projected number of households in 2030 is 52,762. Total household growth is therefore projected to be 3,777 between 2020 and 2030. This equates to an annual average of 378 (rounded) households. This equates to a baseline need for 378 dwellings per year in Hinckley and Bosworth.
58. **Stage two** is to adjust this annual average using the most recent ONS median workplace-based affordability ratios,<sup>14</sup> which provide the ratio of house prices to earnings in various geographies. For each 1% increase in the ratio above 4, projected household growth should be increased by a quarter of a percent:
- Hinckley and Bosworth's 2019 median affordability ratio is 7.13. Using the formula outlined in PPG to calculate the adjustment factor<sup>15</sup> results in an adjustment factor of 1.196, and therefore an adjusted minimum annual housing need figure of 452 dwellings (rounded).
59. **Stage three** is to apply a cap which limits the magnitude of increase (Stage two adjustment) an LPA can face. How this is calculated depends on the current status of relevant strategic policies for housing. There are two options depending on whether those policies were adopted within the last five years or are older:
- Option 1: where the relevant strategic policies were adopted within the last five years (at the point of making the calculation), the LHN is capped at 40% above the average annual housing requirement figure set out in the existing policies. This also applies where the relevant strategic policies have been reviewed by the authority within the 5-year period and have been found not to require updating.
  - Option 2: where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the LHN is capped at 40% above whichever is the higher of:
    - a) The annual average projected household growth for the area over the 10-year period identified in Stage one above; or
    - b) The average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).
  - The relevant strategic policy in this case is provided in the East Midlands Regional Plan (adopted 2009) rather than the Hinckley and Bosworth Local Plan. The East Midlands Regional Plan (Policy 13a and quoted in the Hinckley and Bosworth Core Strategy (paragraph 4.2)) requires 9,000 homes to be built in Hinckley and Bosworth between 2006 and 2026. As neither this document nor the Local Plan was adopted within the last five years, the second option above is applied.
  - For a) the average annual projected household growth is 378, as identified above.
  - For b) the housing requirement figure for Hinckley and Bosworth in the East Midlands Regional Plan is 9,000 dwellings over a 20-year period. This equates to an annual average of 450 dwellings.
  - Thus, the cap is applied to b) and not a). A cap of 40% above 450 is 630 dwellings.
  - The cap of 630 dwellings is higher than the Stage two figure of 452 dwellings, and therefore does not limit the

<sup>13</sup> Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

<sup>14</sup> Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

<sup>15</sup> Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

adjustment for affordability. The minimum LHN for Hinckley and Bosworth therefore remains 452 net additional dwellings per year.

60. Note, for comparison, that the 2019 Housing Needs Study for Hinckley and Bosworth calculated the borough's LHN to be 457 net additional dwellings. The figures are very close, which validates the approach taken. The slight difference is explained by the base year used, which determines the projected annual household growth rate. The calculation in this HNA uses a base year of 2020 rather than 2019, and can therefore be considered more up-to-date.
61. Having derived Hinckley and Bosworth's LHN, we now calculate Market Bosworth's share of that target, by determining what proportion of Hinckley and Bosworth's population currently reside in Market Bosworth and applying that percentage to Hinckley and Bosworth's LHN.
62. At the time of the last Census, there were 2,097 people living in Market Bosworth, or 2% of the 105,078 people in Hinckley and Bosworth. Therefore, applying this percentage (2%) to Hinckley and Bosworth's LHN of 452 gives an indicative HNF for Market Bosworth of 9 dwellings (rounded) per annum, or 108 dwellings over the Neighbourhood Plan period 2014-2026.

### 4.3 Latest available LPA planning strategy (Step 2)

63. However, as stated in NPPF guidance, it is important to acknowledge the relevant policies in the most recently available development plan document for the LPA. Those policies should reflect the overall strategy for the pattern and scale of development and any relevant allocations. This requires producing a HNF for the NA that takes into account the Local Authority's spatial strategy, and therefore may differ from the initial HNF calculated above.
64. In Hinckley and Bosworth, the relevant document is the Hinckley and Bosworth Core Strategy, which in turn makes reference to the East Midlands Regional Plan. The Core Strategy states that:

“In conformity with the East Midlands Regional Plan, the majority of this development will be accommodated in and around the Hinckley sub regional centre within the key urban area of the borough through sustainable amendments to the settlement boundary and two Sustainable Urban Extensions. A proportion will also be distributed to the rural areas of the borough to accommodate their particular development needs.”<sup>16</sup>
65. This summary effectively encapsulates Policy 3 in the East Midlands Regional Plan. It is worth reproducing that policy in full (see Figure 4-1 overleaf).

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<sup>16</sup> Paragraph 4.5.

Figure 4-1: Policy 3 in the East Midlands Regional Plan

**Policy 3**

**Distribution of New Development**

*Development and economic activity should be distributed on the following basis:*

a) *new development will be concentrated primarily in and adjoining the Region's five Principal Urban Areas (PUAs), the built up areas centred on Derby, Leicester, Lincoln, Northampton and Nottingham;*

b) *significant levels of new development should also be located in the three growth towns of Corby, Kettering and Wellingborough;*

c) *appropriate development of a lesser scale should be located in the Sub-Regional Centres (SRCs), i.e. in the:*

- *Eastern Sub-area: Boston, Grantham and Spalding;*
- *Northern Sub-area: Chesterfield, Mansfield-Ashfield, Newark and Worksop;*
- *Southern Sub-area: Daventry;*
- *Three Cities Sub-area: Coalville, Hinckley, Hucknall, Ilkeston, Loughborough, Market Harborough, Melton Mowbray and Swadlincote;*

d) *The development needs of other settlements and rural areas should also be provided for. New development in these areas should contribute to:*

- *maintaining the distinctive character and vitality of rural communities;*
- *shortening journeys and facilitating access to jobs and services;*
- *strengthening rural enterprise and linkages between settlements and their hinterlands; and*
- *respecting the quality of tranquillity, where that is recognised in planning documents;*

*In assessing the suitability of sites for development priority should be given to making best use of previously developed land and vacant or under-used buildings in urban or other sustainable locations, contributing to the achievement of a regional target of 60% of additional dwellings on previously developed land or through conversions.*

*In applying this policy the influence of major urban areas outside the Region should also be taken into consideration, particularly those fulfilling the role of PUAs for parts of the East Midlands, i.e. Peterborough, South Yorkshire and Greater Manchester, where policies in regional strategies for neighbouring regions will be relevant.*

66. Policy 12 of the East Midlands Regional Plan goes into further detail on the distribution of development in the Three Cities Sub-area, of which Hinckley and Bosworth forms a part. Much of its substance relates to housing mix, employment need and local issues, however the policy also states that "Outside Derby, Leicester and Nottingham, employment and housing development should be located within and adjoining settlements."
67. Building on this framework, the Hinckley and Bosworth Local Plan lays out a spatial strategy that classifies settlements in terms of their suitability and sustainability for future development. The classifications are as follows, in order of decreasing suitability for development:
- Urban Areas;
  - Key Rural Centres;
  - Rural Villages; and
  - Rural Hamlets.
68. Development is to be focused in and around the Hinckley sub-regional centre due to its concentration of services. In planning for development in rural areas, the emphasis is more about ensuring that such locations remain vibrant, mixed communities.

69. In this settlement hierarchy, Market Bosworth is classified as a Key Rural Centre. Key Rural Centres, of which there are nine, are classified as such if they contain more than 1,500 people and offer a selection of key amenities and transport services. They are intended to become (or maintain their status as) focal points for their surrounding rural communities.
70. Key Rural Centres are further sub-divided into those that are closely connected to Leicester, those located within the National Forest, and those that stand alone. Market Bosworth is classified as a Key Rural Centre that stands alone. The focus for this category of settlement is on consolidating and improving existing services, supporting rural population levels, and maintaining the sense of individual settlement identity.
71. This is all useful context insofar as it reveals HBBC's strategy for the pattern and scale of development across the borough. However, the distribution of future development across the settlement hierarchy is not quantified in a way that is directly useable for this exercise. HBBC does not state what proportion of the borough's new development should be focused in the Key Rural Centres, nor which of those Centres are intended to host more or less development than any of the others. Site allocations are given for all settlements in the Site Allocations and Development Management DPD, which does quantify the distribution of development within the time horizon of the Local Plan, but these allocations may be informed as much by site availability as local need, and it is not impossible to disentangle those factors from the 'pure' spatial strategy intended by HBBC.
72. There is therefore no statistically robust way of adjusting the baseline HNF calculated above with reference to HBBC's spatial strategy. That said, the fact that population figures are a key consideration in HBBC's classification of Hinckley and Bosworth's settlements means that the baseline approach to calculating the HNF taken above – a key input to which being the proportion of Hinckley and Bosworth's population living in the Market Bosworth NA – suggests that the spatial strategy is already reflected to some degree.
73. In conclusion, having reviewed the strategy for the pattern and scale of development across Hinckley and Bosworth, the baseline HNF for Market Bosworth of 9 dwellings per annum, or 108 in total over the Plan period, should not be adjusted.

#### 4.4 Past dwelling completions (Step 3)

74. The next step is to subtract any net completions of new dwellings that have occurred since the beginning of the Neighbourhood Plan period, i.e. the period between 2014 and present, as well as considering commitments.
75. HBBC have confirmed that there have been 16 net additional dwelling completions in the Market Bosworth NA between 1 April 2014 and 31 March 2020 (dates align with annual monitoring periods). As of 23 June 2020, there are currently 88 dwelling commitments (i.e. planning permissions that are yet to be implemented). AECOM recommends that commitments should not yet be discounted from the overall quantity figure; it is only once they are completed that this can take place and indeed, a proportion of planning permissions are not implemented.
76. After deducting the 16 completions from the HNF of 108 dwellings (over the entire Plan period), a residual HNF of 92 dwellings remains. Because six years have elapsed since the beginning of the Plan period, this residual HNF therefore equates to 15 dwellings (rounded) per year for the remainder of the Plan period to 2026.
77. The residual HNF of 92 dwellings would nearly be met by the number of outstanding dwelling commitments (88 dwellings). Assuming that the 8 committed dwellings are built by 2026, Market Bosworth's development needs (in terms of overall quantity, if not mix) would be met through the provision of only 4 additional homes.
78. The neighbourhood planners may, however, wish to allocate more homes to exceed their HNF or to insure against the eventuality that some of the 88 outstanding commitments do not get built.

#### 4.5 Final Housing Need Figure

79. Based on the evidence above, this HNA recommends an overall HNF of 108 dwellings, which equates to 9 dwellings per year between 2014 and 2026, or a residual HNF of 92 dwellings, which equates to 15 (rounded) dwellings per year between 2020 and 2026. However, there are currently 88 outstanding dwelling commitments in the NA, which would be nearly sufficient to satisfy the total housing need identified here if they are all implemented, leaving only 4 further homes to be required.
80. Note for comparison that the potential minimum housing need for the ward of Cadeby, Carlton and Market Bosworth with Shackerstone provided in the 2019 Housing Needs Study for Hinckley and Bosworth was expressed as a range of between 14 and 18 dwellings per year depending on the demographic scenario used. Given that Market Bosworth, at 2,097 people, constitutes 60% of the wider ward's total population of 3,492 (at the time of the 2011 Census), it can

be considered reasonable to assume that Market Bosworth's share of the ward's potential housing need is also approximately 60%.

81. This would equate to 8-11 (rounded) dwellings per year, which aligns closely with the baseline HNF calculated here of 9 dwellings per year. The Housing Needs Study states that "caution should be used when interpreting these figures, and they should not be considered as a target for any particular area". If a similar methodology is employed when HBBC provide MBPC with a final HRF for the NA, it is likely to produce a similar HNF to that identified here.
82. The housing figure for Hinckley and Bosworth is derived from the Government's Standard Methodology and is likely to change annually as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in Hinckley and Bosworth and any indicative housing requirement figure provided by Hinckley and Bosworth for neighbourhood areas.
83. At the time the final Neighbourhood Plan housing requirement figure is provided by Hinckley and Bosworth, it can be considered to supersede the provisional calculation within this study. Consequently, there is a need for the neighbourhood group to continue to engage with the LPA to confirm the final housing figure for the Neighbourhood Plan.
84. On the basis of the residual HNF of 92 identified here, it is possible to estimate the potential delivery of Affordable Housing in the Market Bosworth NA during the Plan period. Policy 15 in the Hinckley and Bosworth Local Plan 2006-2026 requires that all sites providing 4 dwellings or more (or measuring 0.13 ha or more) outside of the Urban Area provide Affordable Housing at a rate of 40% of all housing. Assuming that 92 new dwellings come forward in Market Bosworth on sites large enough to meet the threshold described in Policy 15, approximately 37 units of Affordable Housing can be expected to be provided.
85. Policy 15 also goes further to set a target split, within Affordable Housing, between social rented accommodation (75%) and intermediate housing, such as shared ownership, discounted market housing and the Government's new First Homes product (25%). If this target tenure split is achieved for a total of 37 units of Affordable Housing, approximately 28 dwellings will be delivered as social rented accommodation and 9 dwellings as intermediate tenures.

## 5. Conclusions

### 5.1 Overview

86. Table 5-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

**Table 5-1: Summary of study findings specific to Market Bosworth with a potential impact on Neighbourhood Plan housing policies**

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Quantity of housing to plan for	<p>The overall housing need for Hinckley and Bosworth is calculated to be 452 net additional dwellings per year.</p> <p>At the time of the last Census, there were 2,097 people living in Market Bosworth, or 2% of the 105,078 people in Hinckley and Bosworth. Therefore, applying this percentage (2%) to Hinckley and Bosworth’s LHN of 452 gives an indicative HNF for Market Bosworth of 9 dwellings (rounded) per annum, or 108 dwellings over the Neighbourhood Plan period 2014-2026.</p> <p>This indicative HNF may, in the next step, be adjusted in light of HBBC’s strategy for the pattern and scale of development across the borough. Having reviewed this spatial strategy, in which Market Bosworth is classified as a Key Rural Centre, AECOM has, however, determined that the indicative HNF cited above should not be adjusted.</p> <p>HBBC have confirmed that there have been 16 dwelling completions in the Market Bosworth NA between 1 April 2014 and 31 March 2020. As of 23 June 2020, there are currently 88 dwelling commitments over the same period.</p> <p>After deducting the 16 completions from the HNF of 108 dwellings (over the entire Plan period), a residual HNF of 92 dwellings remains. Because six years have elapsed since the beginning of the Plan period, this residual HNF therefore equates to 15 dwellings (rounded) per year for the remainder of the Plan period to 2026.</p> <p>However, the residual HNF of 88 dwellings would nearly be met by the number of outstanding dwelling commitments (88 dwellings). Assuming that they are built by 2026, Market Bosworth’s development needs (in terms of overall quantity, if not mix) can be met through the provision of a further 4 homes.</p>	<p>In conclusion, this HNA recommends an overall HNF of 108 dwellings, which equates to 9 dwellings per year between 2014 and 2026, or a residual HNF of 92 dwellings, which equates to 15 (rounded) dwellings per year between 2020 and 2026. There are currently 88 outstanding dwelling commitments in the NA, which should be nearly sufficient to satisfy the total housing need identified here (if they are all implemented).</p> <p>The neighbourhood planners may, however, wish to allocate more homes to exceed this HNF or to insure against the eventuality that some of the 88 outstanding commitments do not get built in the timeframe of the Plan.</p> <p>When HBBC provides a final HRF it will supersede the figure provided in this HNA (if it comes to a different total).</p>

## 5.2 Recommendations for next steps

87. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Hinckley and Bosworth, bearing the following in mind where relevant:
- All Neighbourhood Planning Basic Conditions, but in particular the following: Condition A, namely that the Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and 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 Hinckley and Bosworth – in particular in relation to the quantity of housing that should be planned for;
  - 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 Hinckley and Bosworth, including but not limited to the Strategic Housing Land Availability Assessment (SHLAA).
88. 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.
89. Bearing this in mind, it is recommended that MBPC should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Hinckley and Bosworth or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
90. 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 : Completions and Commitments Data

91. HBBC have provided data on number of the housing completions in the Market Bosworth NA between 1 April 2014 and 31 March 2020 (dates which align with annual monitoring periods). The detailed list of completions by planning application reference number is presented in Table 5-2 below.

**Table 5-2: Dwelling completions in Market Bosworth NA, 2014-2020**

Reference	Address	Dwellings
16/00281/FUL	Kingscliffe, 48 Barton Road	1
19/00254/FUL	The Batter of Bosworth, 29 Station Road	1
18/00758/FUL	3 Main Street	-1
17/00068/FUL	255 Station Road	1
16/01164/FUL	Kingscliffe, 48 Barton Road	1
14/00878/FUL	Holy Bones, 10 Church Street	1
15/00776/COU	10 Park Street	-1
12/00358/FUL	Land off Pipistrelle Drive	6
15/00153/FUL	Little Friezeland Farm	1
14/00098/FUL	7 Harcourt Spinney	1
14/00554/FUL	South Farm, 64 Shenton Lane	3
15/00543/COU	3 Main Street	-1
11/00826/REM	119 Station Road	1
13/00789/FUL	118 Station Road	2
	<b>Total</b>	<b>16</b>

92. HBBC have also provided a full list of outstanding dwelling commitments that is accurate as of 1 July 2020. This is presented in Table 5-3 below.

**Table 5-3: Dwelling commitments (net additional units) in Market Bosworth NA, as of 1 July 2020**

Reference	Address	Dwellings
12/00597/FUL	Sedgemere, Station Road	57
19/00625/DEEM	Ambion Court, Southfield Way	22
18/00983/FUL	Land at Orchard House, Weston Drive	4
18/01013/FUL	94 Station Road	1
18/00241/OUT	16 Beckett Avenue	1
18/00378/FUL	Land Between 3-15 Shenton Lane	1
19/01313/FUL	46 Barton Road	1
19/01217/CQGDO	The Barn, Sutton Lane	1
	<b>Total</b>	<b>88</b>

93. Note that the permission for Ambion Court replaces an existing building, so the 'net additional dwellings' the new permission represents requires further explanation.
94. Both the existing building and its replacement provide accommodation for older people, with the new scheme composed of 24 sheltered flats and 3 bungalows for the over 60s. The new scheme provides 27 units of housing, but only counts as 22 net additional dwellings because it replaces existing homes (which will be demolished).
95. The existing block comprised 5 flats and 26 bedsits. However, only the 5 flats are considered as being replaced in official planning terms. This is because older people's housing can fall into two different use classes – C3 (dwelling houses, the same classification as all mainstream housing) and C2 (associated with a communal establishment,

which includes care homes and other establishments such as prisons). HBBC have clarified that the 5 existing flats fell into use class C3 but the 26 bedsits fell into use class C2.

96. Since commitments data and housing requirements are concerned only with mainstream housing (use class C3), it is only the 5 existing flats that are officially considered as being replaced. As such, the 27 new homes in the 2019 permission are thought of as replacing 5 existing dwellings and supplying 22 new ones. The 26 existing bedsits do not count as being replaced with like-for-like dwelling houses, because they are classified differently.
97. The net additional dwellings supplied by this permission is thus 22 (with 5 replacement dwellings being deducted from the total of 27).

## Appendix B : Housing Needs Assessment Glossary

### Adoption

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

### Affordability

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

### Affordability Ratio

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

### Affordable Housing (NPPF Definition)

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

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

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

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

### Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods<sup>17</sup>.

### Age-Restricted General Market Housing

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

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<sup>17</sup> The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

## **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, overcrowding, concealment or affordability, but who are yet to be offered a home suited to their needs.

## **Bedroom Standard<sup>18</sup>**

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

## **Co-living**

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

## **Community Led Housing/Community Land Trusts**

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

## **Community Right to Build Order<sup>19</sup>**

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

## **Concealed Families (Census definition)<sup>20</sup>**

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

## **Equity Loans/Shared Equity**

An equity loan which acts as a second charge on a property. For example, a household buys a £200,000 property with a 10% equity loan (£20,000). They pay a small amount for the loan and when the property is sold e.g. for £250,000 the lender

<sup>18</sup> See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

<sup>19</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>20</sup> See [http://webarhive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776\\_350282.pdf](http://webarhive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf)

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**

The Government is consulting on the introduction of First Homes as a new form of discounted market homes which will be provided at least 30% discount on new homes. The intention is that these homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments may be required to provide a proportion of Affordable Housing as First Homes (40-80%).

### **Habitable Rooms**

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

### **Household Reference Person (HRP)**

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

### **Housing Market Area**

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

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

### **Housing Needs**

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

### **Housing Needs Assessment**

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

### **Housing Products**

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

### **Housing Size (Census Definition)**

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms);

or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between more than one household, for example a shared kitchen, are not counted.

### **Housing Type (Census Definition)**

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

### **Housing Tenure (Census Definition)**

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

### **Income Threshold**

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

### **Intercensal Period**

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

### **Intermediate Housing**

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

### **Life Stage modelling**

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

### **Life-time Homes**

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

### **Life-time Neighbourhoods**

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

### **Local Development Order**

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

### **Local Enterprise Partnership**

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

### **Local housing need (NPPF definition)**

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

### **Local Planning Authority**

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

### **Local Plan**

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

### **Lower Quartile**

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

### **Lower Quartile Affordability Ratio**

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

### **Market Housing**

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

### **Mean (Average)**

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

### **Median**

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

### **Median Affordability Ratio**

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

### **Mortgage Ratio**

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years<sup>21</sup>, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

### **Neighbourhood Development Order (NDO)**

An NDO will grant planning permission for a particular type of development in a particular area. This could be either a particular development, or a particular class of development (for example retail or housing). A number of types of development

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<sup>21</sup> See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

will be excluded from NDOs, however. These are minerals and waste development, types of development that, regardless of scale, always need Environmental Impact Assessment, and Nationally Significant Infrastructure Projects.

### **Neighbourhood plan**

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

### **Older People**

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

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

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

### **Overcrowding**

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

### **Planning Condition**

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

### **Planning Obligation**

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

### **Purchase Threshold**

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

### **Proportionate and Robust Evidence**

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

### **Private Rented**

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living "rent free". Around 20% of the private rented sector are in this category, which will have included some benefit claimants whose housing benefit at the time was paid directly to their landlord. This could mean people whose

rent is paid by their employer, including some people in the armed forces. Some housing association tenants may also have been counted as living in the private rented sector because of confusion about what a housing association is.

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

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

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

Housing for older people comprising of individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

### **Rightsizing**

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

### **Rural Exception Sites**

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

### **Shared Ownership**

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

### **Sheltered Housing<sup>22</sup>**

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bedrooomed. 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.

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

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

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<sup>22</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

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

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

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

### **Social Rented Housing**

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.<sup>23</sup>

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<sup>23</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

