

Soham & Barway

Housing Needs Assessment (HNA)

January 2023

Quality information

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List of acronyms used in the text:

CLT	Community Land Trust
DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LA	Local Authority
LHN	Local Housing Need
LPA	Local Planning Authority
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OAN	Objectively Assessed Housing Need
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. Soham & Barway is a Neighbourhood Plan Area located in the local authority area of East Cambridgeshire. The Neighbourhood Area boundary covers the areas administered by Soham Town Council.
2. The Office for National Statistics mid-2020 population estimate for Soham & Barway is 13,224 individuals, showing an increase of 2,364 individuals since the 2011 Census.
3. There has been significant development in Soham & Barway since 2011. East Cambridgeshire District Council provided completions data from 2011/12 to 2021/22 which showed the development of 763 dwellings. Of these, it is assumed that approximately 115.5 were delivered as Affordable Housing based on the district wide Affordable Housing delivery rate of 15.14% (average between 2011/12 and 2020/21). The total quantity of dwellings in the NA is estimated to be 5,336 as of April 2022. 2021 Census data shows that there were 5,092 households in the NA in March 2021, roughly in line with the dwelling growth noted above. As of April 2022, outstanding commitments and allocations are estimated to total 1,781¹ dwellings to be delivered within the plan period.
4. This Executive Summary details the conclusions of each chapter of the report, addressing the three research questions formulated at the outset of the research:
 - What Affordable Housing (e.g. social housing, affordable rented, shared ownership, discounted market sale) and other tenures should be planned for in the housing mix over the Neighbourhood Plan period?
 - What type and size of housing is appropriate for the NA over the Neighbourhood Plan period?
 - What provision should be made for specialist housing for older people over the Neighbourhood Plan period?
5. Data from the Census 2021 is being released throughout 2023. At present, the available data covers population (although not at a localised level), households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including Census 2011, Valuation Office Agency data, and ONS parish projections to build up evidence of demographics at the neighbourhood level.

Conclusions- Tenure and Affordability

Current dwelling stock

6. In 2021, most households (61.7%) in Soham & Barway owned their own home, a lower proportion than the district (68.0%). The private rented sector in Soham & Barway was slightly larger than East Cambridgeshire and in line with England as a whole. When

¹ This includes small sites, local plan allocations, outline planning permissions, and detailed major planning permissions

looking at Affordable Housing, the NA had a higher proportion of shared ownership dwellings than the comparator areas although a slightly smaller proportion of households socially renting than England.

7. Between 2012 and 2021 house prices rose relatively steadily, with some minor fluctuation year on year. The median house price rose by 60.5% with the lower quartile house price increasing at a similar rate (60.0%). The median price peaked in 2018 at £247,500, with the 2020 and 2021 prices slightly lower at £240,000. The lower quartiles house price peaked in 2020 at £201,000, just £1,000 higher than the 2021 price. The East Cambridgeshire median house price in 2021 was significantly higher than the NA, at £312,750.

Affordability

8. Local households on average incomes are unable to access even entry-level market homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. Private renting is generally only affordable to average earners. Households made up of two lower quartile earners cannot afford the given rental thresholds.
9. Turning to affordable home ownership, this report has estimated the income required to afford First Homes (a new Affordable Housing product discussed further in Table 4-1 and commentary) and tested the implications of 30%, 40% and 50% discount levels. It is recommended that First Homes are delivered at a 40% discount in Soham & Barway as this makes the product not only affordable to households on mean incomes, but also marginally affordable to households with two lower quartile earners. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Rent to Buy is the least affordable option locally.
10. Affordable rented housing is generally affordable to households with two lower earners depending on their household size. However, households with a single lower earner appear unable to afford any of the tenures considered except the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.

Affordable Housing need

11. This study estimates that Soham & Barway requires roughly 252 units of affordable rented housing and 656 (rounded) units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.
12. It should also be noted that there is a current backlog of households on the Housing Register for Soham in need of social/affordable rented housing. It shows that as of October 2022 there were 278 households on the Housing Register currently living in Soham & Barway. Taking into account households with a local connection to the NA, this totals 556 households.
13. AECOM suggests an indicative mix of Affordable Housing, chiefly a response to the expectation that the delivery will be lower than the needs identified here, as well as the

significant backlog of households on the Housing Register for Soham & Barway. Although the demand for affordable home ownership is demonstrated to be higher than the need for affordable/social rented housing, the former households are assumed to be already housed in the private rented sector. In this context, affordable rented tenures should be prioritised. This mix also complies with the various minimum requirements mandated nationally.

14. The indicative mix suggests that 33% of Affordable Housing is delivered as affordable home ownership, with 67% delivered as social/affordable rent. In terms of affordable home ownership, it is suggested that 25% of Affordable Housing is delivered as First Homes (at 40% discount). It is recommended that the remaining 8% is delivered as shared ownership (25% equity or lower). Rent to Buy does not feature in the recommended mix as it was considered the least affordable tenure locally.
15. Overall, the expected level of delivery does not meet the quantity of demand identified in estimates of the need for Affordable Housing. Although the need for affordable rented housing seems to be met with this level of delivery, past delivery rates suggest that the 30% quota is not usually met and there is a significant backlog of households on the Housing Register that shouldn't necessarily have to wait until the end of the plan period to be housed.
16. It is recommended that the policy requirement (30%) be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored. If the group considered exceeding the Local Plan policy requirement in the neighbourhood plan then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.

Conclusions- Type and Size

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

Current dwelling stock

18. In 2011 the greatest proportion of dwellings in Soham & Barway were semi-detached, followed by detached dwellings. In 2021 the greatest proportion of dwellings remained semi-detached. The proportion of flats and terraced dwellings in the NA grew slightly in this time. VOA data shows that in 2021 approximately 19.8% of dwellings were bungalows, slightly above the proportion across East Cambridgeshire and well above national levels.

Soham & Barway had a slightly higher proportion of flats than the wider district, likely due to the NA being one of the largest settlements, and therefore more likely to have flats than the smaller rural villages. However, this level was significantly below nationally.

19. Turning to dwelling size, in 2011 the greatest proportion of dwellings were 3-bedroom, followed by smaller 2-bedroom dwellings, and then larger 4-bedroom dwellings. Looking to 2021, the proportion of 2-bedroom and 3-bedroom dwellings decreased slightly, with a slight increase in the proportion of 4+ bedroom dwellings. Overall, the size mix remained relatively stable over the last decade. In 2021 the proportion of the smallest (1-bedroom) dwellings in Soham & Barway was below national levels but above the proportion in East Cambridgeshire as a whole. The proportion of 2-bedroom dwellings in the NA was well above both comparator areas, with the proportion of mid-sized homes relatively even across all comparator areas. The proportion of 4-bedroom dwellings in the NA was well below the levels across East Cambridgeshire as well as slightly below national levels.

Demographics

20. In 2011, the greatest proportion of the population in Soham & Barway were aged 25-44, at 30.5% of households, followed by those aged 45-64. Between 2011 and 2020, the proportion of those aged 25-44 fell slightly, although this remained the dominant category. There was also a decline in the younger age categories in this time, potentially indicating that younger people are moving away from the NA. There were increases in the age categories from 45+, indicative of a slightly aging population.
21. Between 2011 and 2031 growth can be expected to be driven by the oldest households in the NA, with households with a household reference person aged 65 and over expected to increase by 58%. This would mean that households in this age category would account for 31.5% of the population in 2031 compared to 22.5% of the population in 2011.
22. Looking at household composition, the proportion of single person households in Soham & Barway and East Cambridgeshire in 2021 was relatively similar, with these below the proportion nationally. Turning to family households, the NA and district had a higher proportion than nationally. The greatest proportion of households in Soham & Barway were families with dependent children, at 29.4% of households, slightly above the proportions in the comparator areas. Between 2011 and 2021 the proportion of family households aged 65/66 and over increased by 41.5% in Soham & Barway, compared to increases of 29.9% across East Cambridgeshire and 19.9% nationally.
23. Under-occupancy was relatively common in the NA in 2011, with approximately 72.6% of households living in a dwelling with at least one extra bedroom compared to the size of the household. This was most common in family households aged 65+ and family households under 65 with no children. This suggests that larger housing in Soham & Barway may be occupied by households with the most wealth or by older persons who have been unable to or unwilling to downsize, as opposed to the largest households. There was still some over-occupancy in the NA, which indicates that there is some overcrowding. This is most common in families with both dependent and non-dependent children.

Future size mix

24. AECOM modelling suggests that in order to reach the indicative mix by the end of the plan period, the greatest proportion of dwellings should be delivered as larger homes (4+ bedrooms). Whilst it might be useful to give some priority to larger, family homes in the future dwelling mix, it is likely that a range of different property sizes will be required, particularly for households needing affordable housing, as reflected in the Council's waiting list.
25. The Chapter finds that the indicative mix (middle column of Table 5-11) may be a more appropriate starting point for the future size mix of housing, offering a more balanced split of dwelling sizes as not to limit choices in new housing or diverge too far from Soham's existing character.
26. Generally it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

Conclusions- Specialist Housing for Older People

27. There are currently 231 units of specialist accommodation for older persons in the NA, with approximately 84.8% affordable (social rent or shared ownership), and 15.2% available for leasehold purchase. In addition, there is a 30 bed care home, Fair Haven, in Soham.
28. It is expected that during the plan period, 508 individuals will join the 75+ age group in Soham & Barway. They are estimated to be formed into around 366 households. It is projected that by the end of the plan period there will be 1,213 individuals in the 75+ age category in the NA.
29. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
30. These two methods of estimating the future need in Soham & Barway produce a range of 127 to 188 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.
31. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-6, the majority of the need, at 73.9%, is identified for specialist market housing. Slightly more need is identified for sheltered housing at 55.3% compared to 44.7% extra-care. The greatest sub-category of need was identified for

market sheltered housing at 43.6% of the total need. However, this need is for individuals with less severe limitations and at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.

32. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies.
33. The evidence may also be used to influence Neighbourhood Plan policies, with the Witchford Neighbourhood Plan (in East Cambridgeshire) including policy explicitly encouraging the development of accessible and adaptable dwellings. Policy WNP H1 (Housing Mix) outlines that “where there is up to date evidence of need for homes to be accessible and adaptable they should be built to accessible and adaptable M4(2) standard”², with exceptions allowed due to viability in some circumstances. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).
34. The adopted Local Plan for East Cambridgeshire does not set targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). Government is considering mandating M4(2) on newly erected dwellings³, although changes to Building Regulations have not yet been made. The evidence gathered here would appear to justify the Working Group approaching the LPA to discuss setting requirements on accessibility and adaptability at a district level and/or developing neighbourhood level policies.
35. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants in the district falling into this category.
36. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
 - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor’s surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and

² See <https://www.eastcambs.gov.uk/sites/default/files/WNP%20Made%201052020.pdf> – page 45

³ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes) (www.gov.uk)

- so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
37. 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).
38. It is considered that Soham & Barway is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Soham & Barway in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself.
39. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

2. Context

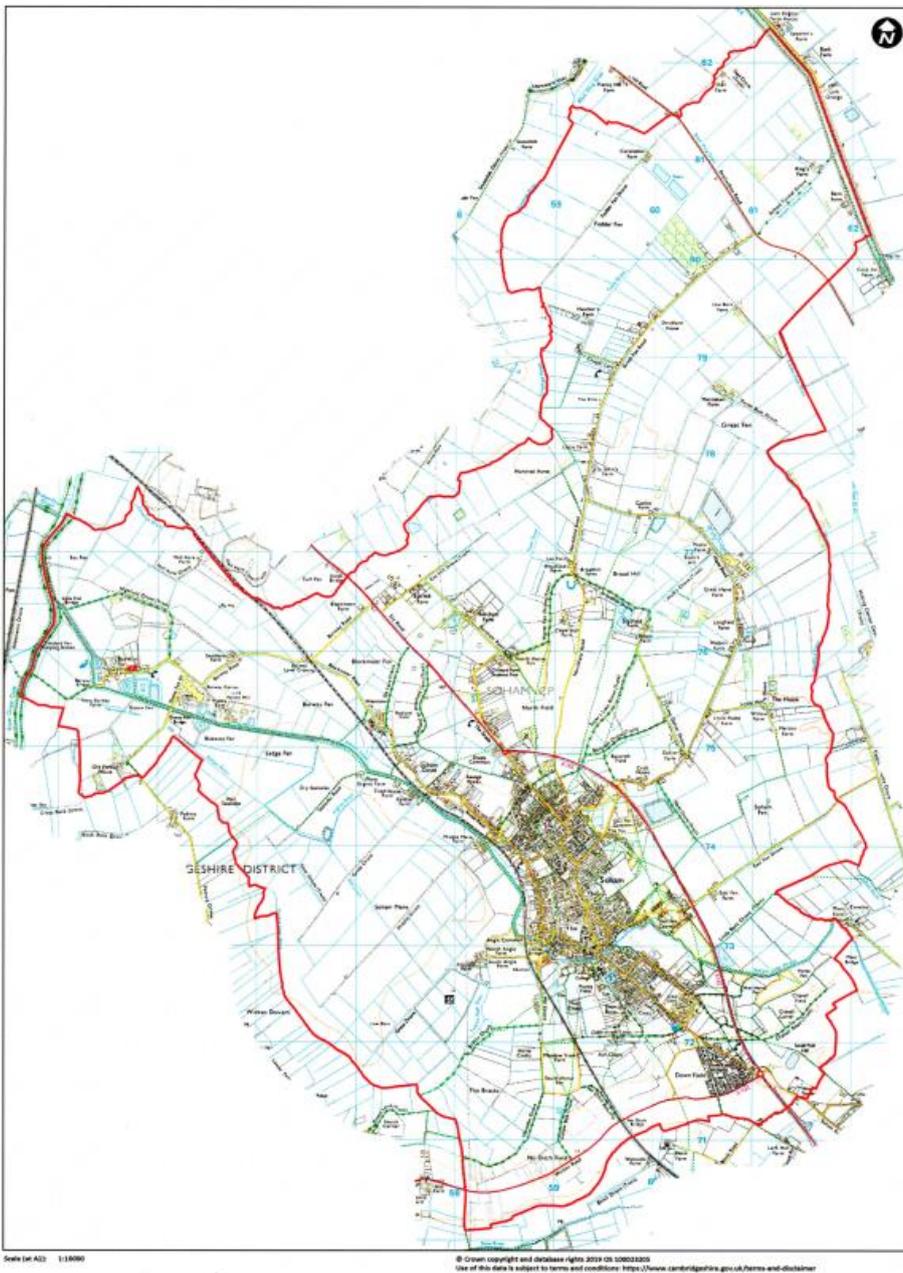
Local context

1. Soham & Barway is a Neighbourhood Area located in East Cambridgeshire, in the East of England. The Neighbourhood Area (NA) boundary was designated on 12th June 2019.
2. The proposed Neighbourhood Plan period starts in 2022 and extends to 2031, therefore comprising a planning period of 9 years. The evidence supplied in this report will look forward to the Plan end date of 2031, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
3. Soham & Barway is one of the three main settlements in East Cambridgeshire (Ely, Littleport, and Soham), located approximately 7 miles south east of Ely and around 18 miles north east of Cambridge. The NA has a range of services, including 3 primary schools, a secondary school (Soham Village College), and a medical centre, all of which the Working Party note are at (or over) capacity. In 2021 Soham railway station reopened, providing a connection between Peterborough and Ipswich. Residents note that this is not frequently used, especially by commuters, as people tend to favour access to Cambridge, with the nearby city of Ely providing rail connection to Cambridge. Although there are bus services in the town, numerous services are currently at risk across Cambridgeshire.
4. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units called Output Areas (OAs). These make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The Plan area equates to the following LSOAs and OAs, which have been used throughout as a statistical proxy for the NA boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses (as well as the 2021 Census where possible):
 - LSOA E01018047;
 - LSOA E01018050;
 - LSOA E01018051;
 - LSOA E01018052;
 - LSOA E01033427;
 - LSOA E01033429;
 - OA E00091055; and
 - OA E00091058 (referred to as OA E00187648 in 2021).
5. The statistics show that in the 2011 Census the NA had a total of 10,860 residents, formed into 4,449 households and occupying 4,573 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Soham & Barway is 13,224 – indicating population growth of around 2,364 individuals since 2011. It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a

survey count. 2021 Census data shows that there were 5,092 households in the NA at this time, an increase of 643 households since 2011. This indicates that 2020 population estimates may have been an over-estimate for Soham & Barway, or that household sizes have increased since 2011.

- 6. Completion data provided by East Cambridgeshire District Council indicates that between 2011/12 and 2021/22 there were 763 overall dwellings completed in Soham & Barway parish, with this level of delivery below the level expected for the population growth noted above, but more in line with the growth in households.
- 7. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Soham & Barway Neighbourhood Area⁴



⁴ Available at <https://www.eastcambs.gov.uk/sites/default/files/parish%20map001.pdf>

Source: East Cambridgeshire District Council

The Housing Market Area Context

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

Planning policy context

11. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁵ In the case of Soham & Barway, the relevant adopted Local Plan is the East Cambridgeshire Local Plan, adopted in April 2015⁶. This document was initially reviewed in October 2019, finding that no new Local Plan was required. This review has since been superseded by an April 2020 review which found that the Local Plan needed to be partially revised in respect to its strategic housing policies.
12. The emerging Local Plan is simply a 'Single Issue Review' meaning that it focuses on revising one aspect of the Local Plan, as opposed to redrafting the whole plan, with the majority of the content not changing. The proposed changes from the review were submitted to the Planning Inspectorate in July 2022 for independent examination. The most recent publicly available version of the document is the East Cambridgeshire Local Plan – Single Issue Review (of its 2015 Local Plan) Proposed Submission Stage (Reg

⁵ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

⁶ Available at: https://www.eastcamb.gov.uk/sites/default/files/Local%20Plan%20April%202015%20-%20front%20cover%20and%20inside%20front%20cover_0.pdf

19)⁷.

Policies in the adopted local plan

13. Table 2-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Soham & Barway.

Table 2-1: Summary of relevant adopted policies in the East Cambridgeshire Local Plan, April 2015

Policy	Provisions
GROWTH 1: Levels of housing, employment, and retail growth	In the period 2011 to 2031, the District Council will make provision for the delivery of 11,500 dwellings in East Cambridgeshire.
GROWTH 2: Locational strategy	The majority of development will be focused on the market towns of Ely, Soham & Barway, and Littleport.
GROWTH 4: Delivery of growth	Land will be allocated in the Local Plan to enable the delivery of approximately 6,500 dwellings on the edge of towns and villages. Allocated sites in Soham & Barway have an estimated housing capacity of 1,620 dwellings.
GROWTH 6: Community-led development	The District Council is generally supportive of community-led development. Further detail is outlined in the full policy.
HOU1: Housing mix	Housing developments of 10 or more dwellings should provide an appropriate mix of dwelling types and sizes that contribute to current and future housing needs as identified in the most recent available evidence relating to the locality. Developments of 50 or more dwellings will be expected to provide a proportion of dwellings that are suitable or easily adaptable for occupation by the elderly or people with disabilities. Developments of 100 or more dwellings will be expected to provide a minimum of 5% self-build properties. The inclusion of self-build properties on smaller sites will also be encouraged.
HOU3: Affordable housing provision	All new open market housing developments which incorporate more than 10 dwellings will be required to make appropriate provision for an element of Affordable Housing. In the north of the

⁷ Available at:

https://www.eastcambs.gov.uk/sites/default/files/CD03%20East%20Cambridgeshire%20Local%20Plan%20SIR%20Stage%203%20consultation%20%28Reg%2019%29%20May%202022%20AC%20Checked_0.pdf

Policy	Provisions
	<p>district (including Soham & Barway), the requirement will be a minimum of 30% Affordable Housing.</p> <p>The precise mix in terms of tenure and house sizes of Affordable Housing within a scheme will be determined by local circumstances at the time of planning permission.</p>
SOH1: Housing allocation, land off Brook Street	<p>Approximately 22 hectares of land is allocated for residential development for up to approximately 400 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none">• Provide an element of Affordable Housing (currently 30%).• Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway, including provision for a minimum of 5% self-build properties.• Further requirements are outlined in the full policy.
SOH2: Housing-led / mixed use allocation, land off Station Road	<p>Approximately 3.6 hectares of land is allocated for housing-led/mixed use development off Station Road. Within the site, provision will be made for up to approximately 90 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none">• Provide an element of Affordable Housing (currently 30%).• Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway.• Further requirements are outlined in the full policy.
SOH3: Housing-led / mixed use allocation, Eastern Gateway area	<p>Approximately 33 hectares of land is allocated for housing-led/mixed use development in the Eastern Gateway area. Within the site, provision will be made for up to approximately 600 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none">• Provide an element of Affordable Housing (currently 30%).• Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway, including provision for a minimum of 5% self-build properties.• Further requirements are outlined in the full policy.
SOH4: Housing allocation, land off Fordham Road	<p>Approximately 3.85 hectares of land is allocated for residential development for up to approximately 90 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none">• Provide an element of Affordable Housing (currently 30%).

Policy	Provisions
	<ul style="list-style-type: none"> • Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway. • Further requirements are outlined in the full policy.
SOH5: Housing allocation, land south of Blackberry Lane	<p>Approximately 6.85 hectares of land is allocated for residential development for up to approximately 160 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none"> • Provide an element of Affordable Housing (currently 30%). • Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway, including provision for a minimum of 5% self-build properties. • Further requirements are outlined in the full policy.
SOH6: Housing allocation, land north of Blackberry Lane	<p>Approximately 4.4 hectares of land is allocated for residential development for up to approximately 100 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none"> • Provide an element of Affordable Housing (currently 30%). • Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway, including provision for a minimum of 5% self-build properties. • Further requirements are outlined in the full policy.
SOH7: Housing allocation, land adjacent to the cemetery	<p>Approximately 4.8 hectares of land is allocated for residential development for up to approximately 115 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none"> • Provide an element of Affordable Housing (currently 30%). • Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway, including provision for a minimum of 5% self-build properties. • Further requirements are outlined in the full policy.
SOH8: Housing allocation, land east of The Shade	<p>Approximately 1.96 hectares of land is allocated for residential development for up to approximately 45 dwellings.</p> <p>Development proposals will be expected to:</p> <ul style="list-style-type: none"> • Provide an element of Affordable Housing (currently 30%). • Provide a mix of dwelling types and sizes to reflect current evidence of need within Soham & Barway. • Further requirements are outlined in the full policy.

Source: East Cambridgeshire District Council

Policies in the emerging local plan

14. As discussed above, the emerging plan for East Cambridgeshire remains vastly the same as the adopted plan, with proposed changes to strategic housing (level and delivery of growth). The Single Issue Review proposes the following changes to policy:
- Policy GROWTH 1 will be amended with the provision of housing figure updated (from 11,500) upon adoption. This is expected to be c.9,000 dwellings to be delivered between 2011 and 2031. In addition, it will outline the requirement of 5,398 dwellings to be delivered in the 9 year period 2022-2031. This is an average of 600 dwellings per annum between 2022 and 2031.

Quantity of housing to provide

15. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
16. East Cambridgeshire District Council fulfilled that requirement by providing Soham & Barway with a figure of 2,127 dwellings⁸ to be accommodated within the Neighbourhood Area by the end of the Plan period⁹ based on the housing requirement from 2011-2031 with completions to 2022 deducted. It should be noted that as of April 2022 there were estimated to be 1,781 commitments in the NA (combination of small sites, detailed planning permissions on major sites, outline planning permissions, and local plan allocations). Deducting this from 2,127 gives a residual requirement of 346 dwellings. It is also important to note that changes in the emerging Local Plan may alter the housing requirement figure for Soham & Barway.

⁸ This is an estimate based on the Local Plan housing requirement (2,890) for 2011-2031, minus completions 2011-2022 (763).

⁹ As discussed in email correspondence with LPA, November 2022.

3. Approach

Research Questions

1. The following research questions were formulated at the outset of the research through discussion with the Soham & Barway & Barway Neighbourhood Plan Working Group. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

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

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

Type and Size

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

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

Specialist Housing for Older People

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

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

Relevant Data

9. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from a range of other data sources, including:
- Census 2011 and Census 2021 (the latter where possible at present);
 - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information at the neighbourhood level;
 - ONS population and household projections for future years;
 - Valuation Office Agency (VOA) data on the current stock of housing;
 - Land Registry data on prices paid for housing within the local market;
 - Rental prices from Rightmove.co.uk;
 - Local Authority housing waiting list data;
 - East Cambridgeshire District Council Viability Assessment Information Report, April 2019¹⁰; and
 - Housing Needs of Specific Groups, Cambridgeshire and West Suffolk, October 2021¹¹.
10. Data from the Census 2021 is being released throughout 2023. At present, the available data covers population (although not at a localised level), households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level, including parishes, will not be available until later in 2023, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including Census 2011, Valuation Office Agency data, and ONS parish projections to build up evidence of demographics at the neighbourhood level.

¹⁰ Available at: <https://www.eastcambs.gov.uk/sites/default/files/East%20Cambs%20Viability%20Assessment%20Info%20-%20Interim%20Policy%20Support%20DSP19608%20DRAFT%20%28v2%20Final%29.pdf>

¹¹ Available at: <https://cambridgeshireinsight.org.uk/wp-content/uploads/2021/10/CWS-Housing-Needs-of-Specific-Groups-Oct21.pdf>

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

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

Introduction

1. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
2. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
3. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. The NPPF defines Affordable Housing as *'housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers; and which complies with one or more of the following definitions'*¹². The full document further outlines the tenures included in this definition. Those outlined in Table 4-1 would fall under this NPPF definition of Affordable Housing.

¹² Available here -

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

Table 4-1: Breakdown of Affordable Housing tenures

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

- As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021¹³. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:

¹³ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

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

Current tenure profile

5. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
6. Table 4-2 presents data on tenure in Soham & Barway compared with East Cambridgeshire and England from the 2021 Census, which is the most recent available source of this information. It shows that in 2021, most households owned their own home, at 61.7% of households. This is similar to national levels of 61.3% and lower than across the district (68.0%). The private rented sector in Soham & Barway was larger than East Cambridgeshire and roughly in line with England as a whole. When looking at Affordable Housing, the NA had a higher proportion of shared ownership dwellings than the comparator areas although a slightly smaller proportion of households socially renting than the country.
7. It is helpful to look at the change in tenure over time between the 2011 and 2021 Census. In this time period the number of households living in Affordable Housing increased by 15.8% (shared ownership) and 7.7% (social renting), slightly more than across East

Cambridgeshire as a whole (an increase of 11.7% shared ownership and 5.2% social renting). The number of households privately renting also increased significantly more in Soham & Barway (56.0%) compared to across the district (33.7%).

Table 4-2: Tenure (households) in Soham & Barway, 2021

Tenure	Soham & Barway	East Cambridgeshire	England
Owned	61.7%	68.0%	61.3%
Shared ownership	2.3%	1.5%	1.0%
Social rented	15.1%	14.0%	17.1%
Private rented	20.9%	16.5%	20.6%

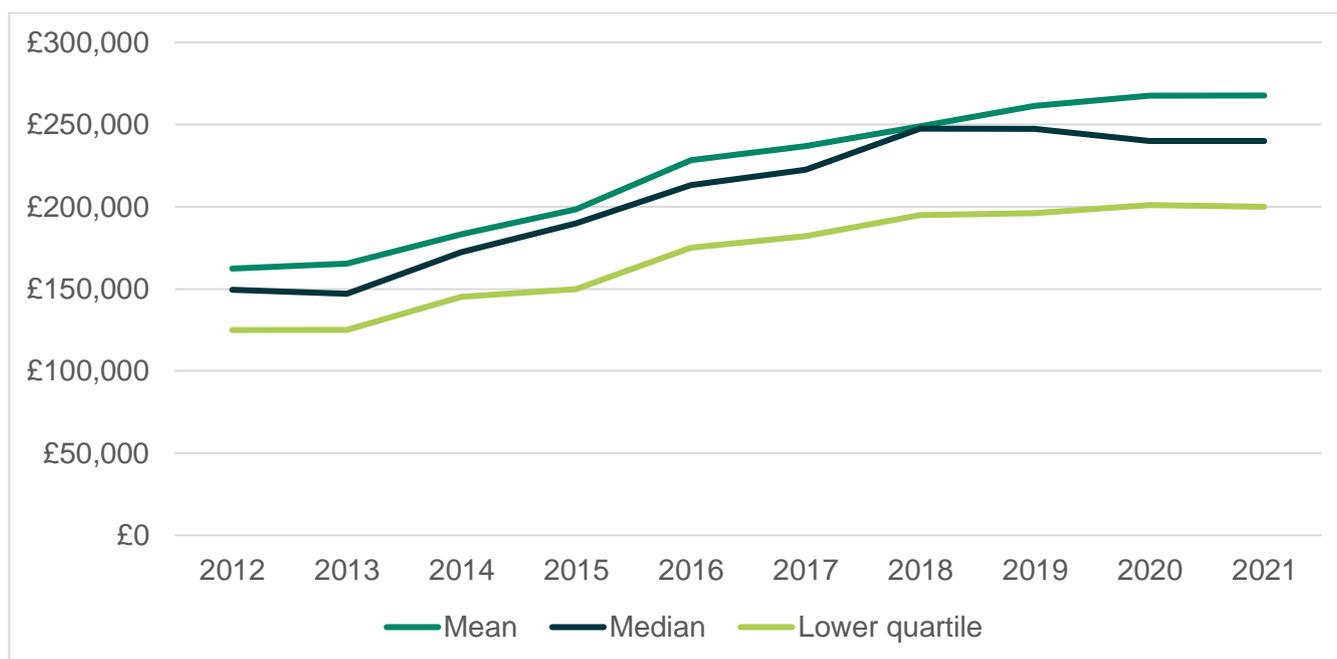
Sources: Census 2021, AECOM Calculations

Affordability

House prices

- House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
- Figure 4-1 looks at the average and lower quartile house prices in East Cambridgeshire based on sales price data published by the Land Registry. It shows that between 2012 and 2021, house prices rose relatively steadily, with some minor fluctuation year on year. The median house price rose by 60.5% in this time, whilst the lower quartile house price rose at a similar rate of 60.0%. The median price peaked in 2018 at £247,500, with the 2020 and 2021 prices slightly lower at £240,000. The lower quartiles house price peaked in 2020 at £201,000, just £1,000 higher than the 2021 price. The East Cambridgeshire median house price in 2021 was significantly higher than the NA, at £312,750, potentially due to higher house prices in smaller villages and the city of Ely increasing the overall average.

Figure 4-1: House prices by quartile in Soham & Barway, 2012-2021



Source: Land Registry PPD

10. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that house prices for detached dwellings were consistently higher than the other dwelling types, with the rate of growth between 2012 and 2021 the same for both detached and semi-detached dwellings, at 68.6%. Growth in terraced dwellings and flats was less significant, at 45.1% and 27.3% respectively. There was some minor fluctuation in each category year on year but this was not notably and is likely due to variation in stock (e.g. condition, location of dwelling, number of bedrooms) sold each year.

Table 4-3: Median house prices by type in Soham & Barway, 2012-2021

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£216,498	£245,000	£247,500	£256,000	£313,000	£324,000	£330,000	£317,995	£340,000	£365,000	68.6%
Semi-detached	£144,750	£146,500	£175,000	£190,000	£210,000	£224,000	£235,000	£229,998	£232,500	£244,000	68.6%
Terraced	£146,750	£147,000	£168,500	£170,000	£189,975	£212,500	£230,875	£228,995	£216,000	£213,000	45.1%
Flats	£116,495	£120,000	£125,000	£115,975	£112,500	£160,000	£150,000	£130,000	£120,000	£148,250	27.3%
All Types	£149,498	£147,000	£172,500	£189,950	£213,000	£222,500	£247,500	£247,475	£240,000	£240,000	60.5%

Source: Land Registry PPD

11. Table 4-4 additionally breaks down lower quartile house prices by type between 2019 and 2021. This shows that over the last 3 years lower quartile prices as a whole have been very stable, increasing by just 1.9%. The greatest growth was in detached dwellings at 15.7% growth in this time, with the price of flats falling slightly. Detached dwellings had the highest price in 2021, £91,000 greater than the semi-detached lower quartile price. The overall lower quartile price in 2021 was just £40,000 lower than the overall median house price in 2021.

Table 4-4: Lower quartile house prices by type in Soham & Barway, 2019-2021

Type	2019	2020	2021	Growth
Detached	£264,375	£292,500	£306,000	15.7%
Semi-detached	£208,125	£210,000	£215,000	3.3%
Terraced	£192,250	£187,500	£199,500	3.8%
Flats	£115,000	£115,000	£114,750	-0.2%
All Types	£196,250	£201,000	£200,000	1.9%

Source: Land Registry PPD

Income

12. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
13. 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 £44,500 in 2018. A map of the area to which this data applies is provided in Appendix A.
14. 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. East Cambridgeshire's gross individual lower quartile annual earnings were £16,547 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £33,094.
15. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

16. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
17. AECOM has determined thresholds for the income required in Soham & Barway to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
18. 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.

19. The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
20. The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
21. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. The present economic climate is continually changing and so whilst our assumptions outlined above are robust, different assumptions (e.g. households unable to spend 30% of income on rent due to rising energy costs) would alter the picture of affordability that emerges here. This is another reason to interpret the findings with a degree of flexibility.
22. Table 4-5 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.
23. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

Table 4-5: Affordability thresholds in Soham & Barway (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £44,500	Affordable on LQ earnings (single earner)? £16,547	Affordable on LQ earnings (2 earners)? £33,094
Market Housing						
Median House Price	£216,000	-	£61,714	No	No	No
Estimated NA New Build Entry-Level House Price	£202,001	-	£57,715	No	No	No
LQ/Entry-level House Price	£180,000	-	£51,429	No	No	No
LA New Build Median House Price	£315,879	-	£90,251	No	No	No
Average Market Rent	-	£13,795	£45,983	Marginal	No	No
Entry-level Market Rent	-	£10,727	£35,756	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£141,401	-	£40,400	Yes	No	No
First Homes (-40%)	£121,201	-	£34,629	Yes	No	Marginal
First Homes (-50%)	£101,000	-	£28,857	Yes	No	Yes
Shared Ownership (50%)	£101,000	£2,806	£38,209	Yes	No	No
Shared Ownership (25%)	£50,500	£4,208	£28,456	Yes	No	Yes
Shared Ownership (10%)	£20,200	£5,050	£22,605	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£6,566	£21,863	Yes	No	Yes
Social Rent	-	£5,331	£17,751	Yes	Marginal	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

25. From the assumptions above, 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 38.7% higher than the current average.

26. Private renting is generally only affordable to average earners. 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

27. There is a relatively large group of households in Soham & Barway who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £35,756 per year (at which point entry-level rents become affordable) and £51,429 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
28. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
29. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. Under First Homes, a 40% discount in Soham & Barway would make this product not only affordable to households on mean incomes, but also marginally affordable to households with two lower quartile earners. A 40% discount therefore has the potential to extend homeownership substantially. However, it is worth noting that the minimum 30% discount would extend home ownership to households on average incomes.
30. Table 4-6 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA, as outlined in the Appendix. It is also worth considering the discounts required for some additional price benchmarks. The table above uses the calculated NA new build entry-level house price as the best estimate for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

Table 4-6: Discount on sale price required for households to afford First Homes

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA Median House Price	28%	73%	46%
NA Estimated New Build Entry-Level House Price	23%	71%	43%
NA Entry-Level House Price	13%	68%	36%
LA Median New Build House Price	51%	82%	63%

Source: Land Registry PPD; ONS MSOA total household income

31. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the

minimum equity share for shared ownership will fall to 10% of the property value.¹⁴ If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

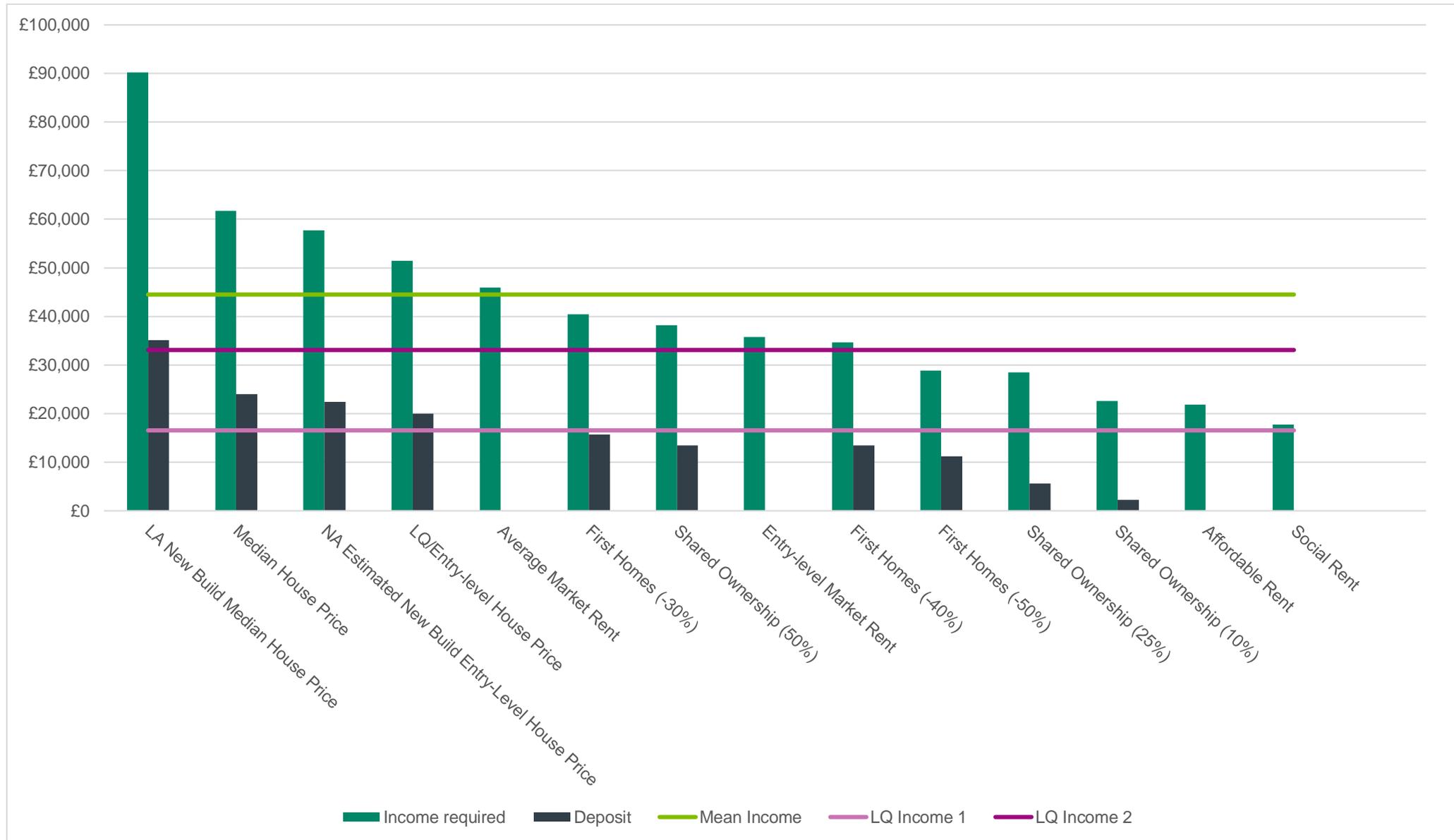
32. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
33. The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are more affordable options.
34. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
 - First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
 - Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.
35. In conclusion, all of these products would provide value to different segments of the local population, with shared ownership at a lower than 25% equity share allowing lower earning households to get a foot on the housing ladder, while Rent to Buy is helpful to those with little or no savings for a deposit, and First Homes potentially providing a better long-term investment to those who can afford to access it.

¹⁴ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hws48>.

Affordable rented housing

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

Figure 4-2: Affordability thresholds in Soham & Barway, income required (additional cost of deposit in black)



Source: AECOM Calculations

Affordable housing- quantity needed

38. The starting point for understanding the need for affordable housing in Soham & Barway is the latest local authority (or housing market area) housing study. A Housing Needs of Specific Groups study was undertaken in October 2021 for Cambridgeshire and West Suffolk¹⁵. This study estimates the need for affordable housing in the district based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time. The Housing Needs of Specific Groups study identified the net need for 215 additional affordable homes for social/affordable rent each year in East Cambridgeshire specifically. Pro-rated to the population of Soham & Barway (13.0% of East Cambridgeshire's population based on 2011 Census figures) this gives an estimated need for 28.0 affordable rented homes in the NA per annum, or 252.0 over the plan period.
39. Turning to the demand for affordable home ownership, the report identifies a net need for 39.0 dwellings for affordable home ownership in East Cambridgeshire per annum. Pro-rated as above to the Soham & Barway population gives a need for the NA of 5.1 dwellings per annum or 45.9 over the plan period.
40. The Housing Needs of Specific Groups study by GL Hearn makes the assumption in the estimate for affordable home ownership that around half the homes priced at the lower quartile level may be affordable and available to meet the needs of households with an income gap between buying and renting. however, AECOM expect that the extent of this is limited for the following reasons:
- a) the majority of these households have insufficient deposits and deposit requirements are not reduced substantially enough at the cheaper end of the market;
 - b) properties priced below lower quartile levels tend to be small and will not be suitable for all households (e.g. families); and
 - c) the lowest priced properties may be in poor condition and/or requiring substantial investment to ensure they are habitable.
41. Because of the assumptions made regarding affordable home ownership, AECOM have calculated a figure for Soham & Barway in Table 4-7. Table 4-7 estimates the potential demand in Soham & Barway. This model aims to estimate the number of households that might wish to own their own home but cannot afford to – the 'can rent, can't buy' group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

¹⁵ Available at: <https://cambridgeshireinsight.org.uk/wp-content/uploads/2021/10/CWS-Housing-Needs-of-Specific-Groups-Oct21.pdf>

42. 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.¹⁶ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
43. The result of the calculation is 72.9 households per annum who may be interested in affordable home ownership (or 655.9 for the entirety of the Plan period).
44. Again, this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently.
45. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

¹⁶ <http://www.ipsos-mori-generations.com/housing.html>

Table 4-7: Estimate of the potential demand for affordable housing for sale in Soham & Barway

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in parish	1,063.0	2021 Census number of renters
1.2 Percentage renters on housing benefit in LA	15.1%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in parish	160.8	Step 1.1 x Step 1.2.
1.4 Current need (households)	676.6	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ¹⁷
1.5 Per annum	75.2	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	286.8	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	16.1%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	46.2	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	3.6	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	117.0	Number of shared ownership homes in NA in 2021
3.2 Supply - intermediate resales	5.9	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	72.9	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall over the plan period	655.9	(Step 1.4 + Step 2.3) – Step 3.2 * number of years to end of plan period

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

46. It should also be noted in addition to the pro-rated figure from the Housing Needs of Specific Groups study that there is a current backlog of households on the Housing Register for Soham in need of social/affordable rented housing. This information was provided by East Cambridgeshire District Council in its capacity as manager of the local housing waiting list. It shows that as of October 2022 there were 278 households on the Housing Register currently living in

¹⁷ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

Soham & Barway. Taking into account households with a local connection to the NA, this totals 556 households.

47. 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 Working Party 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).
48. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable Housing policy guidance

49. East Cambridgeshire's adopted policy on this subject HOU3 (Affordable housing provision) requires 30% of all new housing to be affordable in Soham & Barway on sites of more than 10 dwellings. Given that Affordable Housing made up approximately 15.1% of new housing across East Cambridgeshire as a whole over the last decade according to the Council's Annual Monitoring Reports. It is therefore understood that the 30% target is usually not met on sites. It is also worth noting that the 30% requirement has been met on some sites in Soham, with the Working Group providing anecdotal information that sites at Broadpiece and 55 Fordham Road both achieved 30% Affordable Housing, indicating that this is possible within the NA. However, the Working Group also provided information indicating that upcoming commitments are not all expected to reach this, with Affordable Housing delivery ranging from 12.5% to 30%.
50. In addition, East Cambridgeshire District Council had a Viability Assessment Information Report undertaken in April 2019¹⁸. This report suggested that in the towns of Littleport and Soham a 20% Affordable Housing requirement may be more appropriate. It may therefore be that more sites in Soham reach this figure than the policy requirement of 30%. However, this 20% has not yet been translated into policy, which remains at 30% Affordable Housing for Soham.
51. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasising that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.
52. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures is not specified in the Local Plan. The HNA can supply more localised evidence, and this section summarises the factors that might be taken into account before proposing a

¹⁸ Available here - <https://www.eastcamb.gov.uk/sites/default/files/East%20Cambs%20Viability%20Assessment%20Info%20-%20Interim%20Policy%20Support%20DSP19608%20DRAFT%20%28v2%20Final%29.pdf>

suggested Affordable Housing tenure mix that might be suitable for Elstree & Borehamwood specifically.

53. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:

- A. **Evidence of need for Affordable Housing:** This study estimates that Soham & Barway requires roughly 252 units of affordable rented housing and 656 (rounded) units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.

The relationship between these figures suggests that 27.8% of Affordable Housing should be rented and 72.2% should offer a route to ownership. However, as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally already housed in rented accommodation and may not be able to afford the deposit to transition to ownership.

If the quantity of new housing overall were unlimited, 28% to 72% may be an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.

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

If the Local Plan target of 30% were achieved on every site, up to around 601 affordable homes might be expected in the NA. This is based on the Local Plan housing requirement figure (minus completions), with it assumed there would be no delivery on small sites (which total 124 of the current commitments)¹⁹ as they would be below the Affordable Housing threshold.

This expected level of delivery does not meet the needs identified in this report. As a result, affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority.

It is important to consider community opinion, with the Working Group undertaking consultation surveys in March 2022. A key outcome of this was that 87.0% of respondents either agreed or strongly agreed that additional housing provision meets the needs of local people within the NA. Responses in Barway specifically noted that 10 respondents did not want any further housing in Barway, with 2 willing to have infill housing, although this is unlikely to meet the Affordable Housing threshold.

- C. **Government policy (e.g. NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership.

¹⁹ Housing requirement of 2,890 minus 763 completions minus 124 small site commitments

For 10% of all housing to be affordable ownership in East Cambridgeshire, where 30% of all housing should be affordable, 1/3 of Affordable Housing should be for affordable ownership.

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

- D. **Local Plan policy:** The adopted Local Plan does not seek a specific tenure split for Affordable Housing, with this to be determined by local circumstances at the time of planning permission.
- E. **First Homes policy:** the Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.

This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. It is unknown whether this will be an issue in East Cambridgeshire as the adopted Local Plan does not outline an Affordable Housing tenure split.

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

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

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

- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this

may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.

- G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Soham & Barway:** the current tenure mix in Soham & Barway shows that 2.3% of households in the NA in 2021 lived in shared ownership dwellings, above both East Cambridgeshire and England. 15.1% of households lived in socially rented dwellings, below national levels of 17.1%. Across East Cambridgeshire between 2011/12 and 2020/21, on average 15.1% of housing was delivered as Affordable Housing. According to Census data, between 2011 and 2021 the proportion of households living in Affordable Housing in the NA decreased slightly, from 18.3% of households (living in shared ownership and socially rented dwellings) in 2011 to 17.4% of households in 2021. The overall number of households living in Affordable Housing in Soham & Barway increased.

It is also worth noting that in addition to traditional Affordable Housing, there is also a Community Land Trust (CLT) in Soham. Thrift CLT's scheme at Covell Corner in Soham provides 6 rented 1-bedroom flats and 2 shared ownership houses with 2-bedrooms and 3-bedrooms. The aim of the organisation is to provide genuinely affordable homes for local people with strong connections to the NA.

Some provision of Affordable Housing over the plan period would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.

- I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
- J. **Wider policy objectives:** the neighbourhood planning group may wish to take account of broader policy objectives for Soham & Barway and/or the wider district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.
54. On the basis of the considerations above, Table 4-8 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

55. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here, as well as the significant backlog of households on the Housing Register for Soham & Barway. Although the demand for affordable home ownership is demonstrated to be higher than the need for affordable/social rented housing, the former households are assumed to be already housed in the private rented sector. In this context, affordable rented tenures should be prioritised. This mix also complies with the various minimum requirements mandated nationally.
56. The indicative mix suggests that 33% of Affordable Housing is delivered as affordable home ownership, with 67% delivered as social/affordable rent. In terms of affordable home ownership, it is suggested that, in line with national policy, 25% of Affordable Housing is delivered as First Homes. A 40% discount makes the product affordable to households on mean incomes and households with two lower quartile earners. It is recommended that the remaining 8% is delivered as shared ownership, with this accessible to households with two lower quartile earners at 25% equity (or less). Rent to Buy does not feature in the recommended mix as it was considered the least affordable tenure locally, though the group (in consultation with the LPA may wish to consider whether it would offer a valuable product in the area for households who have limited deposits).
57. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
58. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with East Cambridgeshire to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
59. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

Table 4-8: Indicative tenure split (Affordable Housing)

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

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current dwelling stock

60. In 2021, most households (61.7%) in Soham & Barway owned their own home, a lower proportion than the district (68.0%). The private rented sector in Soham & Barway was slightly larger than East Cambridgeshire and in line with England as a whole. When looking at Affordable Housing, the NA had a higher proportion of shared ownership dwellings than the comparator areas although a slightly smaller proportion of households socially renting than England.
61. Between 2012 and 2021 house prices rose relatively steadily, with some minor fluctuation year on year. The median house price rose by 60.5% with the lower quartile house price increasing at a similar rate (60.0%). The median price peaked in 2018 at £247,500, with the 2020 and 2021 prices slightly lower at £240,000. The lower quartiles house price peaked in 2020 at £201,000, just £1,000 higher than the 2021 price. The East Cambridgeshire median house price in 2021 was significantly higher than the NA, at £312,750, potentially due to

higher house prices in smaller villages and the city of Ely increasing the overall average.

Affordability

62. 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. Private renting is generally only affordable to average earners. Households made up of two lower quartile earners cannot afford the given rental thresholds.
63. Turning to affordable home ownership, this report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It is recommended that First Homes are delivered at a 40% discount in Soham & Barway as this makes the product not only affordable to households on mean incomes, but also marginally affordable to households with two lower quartile earners. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Rent to Buy is the least affordable option locally.
64. Affordable rented housing is generally affordable to households with two lower earners depending on their household size. However, households with a single lower earner appear unable to afford any of the tenures considered except the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.

Affordable Housing need

65. This study estimates that Soham & Barway requires roughly 252 units of affordable rented housing and 656 (rounded) units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.
66. It should also be noted that there is a current backlog of households on the Housing Register for Soham in need of social/affordable rented housing. It shows that as of October 2022 there were 278 households on the Housing Register currently living in Soham & Barway. Taking into account households with a local connection to the NA, this totals 556 households.
67. AECOM suggests an indicative mix of Affordable Housing, chiefly a response to the expectation that the delivery will be lower than the needs identified here, as well as the significant backlog of households on the Housing Register for Soham & Barway. Although the demand for affordable home ownership is demonstrated to be higher than the need for affordable/social rented housing, the former households are assumed to be already housed in the private rented sector. In this context, affordable rented tenures should be prioritised. This mix also complies with the various minimum requirements mandated nationally.
68. The indicative mix suggests that 33% of Affordable Housing is delivered as affordable home ownership, with 67% delivered as social/affordable rent. In

terms of affordable home ownership, it is suggested that 25% of Affordable Housing is delivered as First Homes (at 40% discount). It is recommended that the remaining 8% is delivered as shared ownership (25% equity or lower). Rent to Buy does not feature in the recommended mix as it was considered the least affordable tenure locally.

69. Table 4-9 summarises Soham & Barway’s position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In addition to the Local Plan policy requirement of 30% Affordable Housing being used in Table 4-9, we also show the level of Affordable Housing expected to be delivered if the 20% Affordable Housing figure suggested in the 2019 Viability Assessment is used.
70. This exercise is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-9: Estimated delivery of Affordable Housing in Soham & Barway

	Step in Estimation	Expected delivery	Expected delivery
A	Housing requirement of 2,890 - 763 completions (2011-2022) - 124 small site commitments	2,003	2,003
B	Affordable housing quota (%) in LPA’s Local Plan	30%	20% (2019 Viability Report)
C	Potential total Affordable Housing in NA (A x B)	601 (rounded)	401 (rounded)
D	Rented % (e.g. social/ affordable rented)	67%	67%
E	Rented number (C x D)	403 (rounded)	269 (rounded)
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	33%	33%
G	Affordable home ownership number (C x F)	198 (rounded)	132 (rounded)

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

71. Overall, the expected level of delivery does not meet the quantity of demand identified in estimates of the need for Affordable Housing. Although the need for

affordable rented housing seems to be met with this level of delivery, past delivery rates suggest that the 30% quota is not usually met and there is a significant backlog of households on the Housing Register that shouldn't necessarily have to wait until the end of the plan period to be housed. When looking at delivery rates of 20%, this only just meets the need for affordable rented homes, whilst still assuming the backlog will be met over the plan period as opposed to delivering a considerable portion upfront.

72. It is recommended that the policy requirement (30%) be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored. If the group considered exceeding the Local Plan policy requirement in the neighbourhood plan then it must be noted that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
73. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

5. RQ 2: Type and Size

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

Introduction

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

Existing types and sizes

Background and definitions

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

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

7. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. 2011 and 2021 Census data is used to understand the current dwelling stock and changes over time. Valuation Office Agency (VOA) data is also used in places although this data available at LSOA level at the smallest geographical level, meaning that this data covers a slightly wider area than the NA (MSOA E02003737), although this is considered a suitable proxy for Soham & Barway.

Dwelling type

8. Table 5-1 shows that the greatest proportion of dwellings in Soham & Barway in 2011 were semi-detached, at 37.0%, followed by detached dwellings at 31.3% of the stock. Looking to 2021, the Census data shows that the greatest proportion of dwellings remained semi-detached, although to a slightly lesser extent. The proportion of detached dwellings remained stable over the decade, with the proportion of terraced dwellings decreasing slightly. The proportion of flats increased by 0.6 percentage points.
9. Census data does not count bungalows independently, but instead within each of the other categories (generally detached and semi-detached dwellings). VOA data does count bungalows in a separate category, but as noted above covers a slightly wider area than the NA. This can however be used as a suitable proxy for the proportion within the NA. VOA data shows in 2021 approximately 19.8% of dwellings were bungalows, with this reducing the proportion of detached and semi-detached dwellings in the NA. This was slightly above the proportion of bungalows in East Cambridgeshire (19.0%), and well above national levels (9.2%).

Table 5-1: Accommodation type, Soham & Barway, 2011 and 2021

Dwelling type	2011	2021
Bungalow	-	-
Flat	9.4%	10.0%
Terrace	21.6%	21.1%
Semi-detached	37.0%	36.4%
Detached	31.3%	31.4%
Unknown/other	-	1.0%

Source: ONS 2011, ONS 2021, AECOM Calculations

10. It is helpful to compare the dwelling types in Soham & Barway to the wider district and country in 2021. Table 5-2 shows that Soham & Barway had a slightly higher proportion of flats than the wider district, likely due to the NA being one of the largest settlements, and therefore more likely to have flats than the smaller rural

villages. However, this level was significantly below nationally. When looking at houses specifically, the greatest proportion were semi-detached in the NA (36.4%), at a higher proportion than the comparator areas, followed by detached dwellings (31.4%). As noted above, these figures are high in part due to the inclusion of bungalows. The proportion of terraced dwellings in the NA was slightly below national levels but well above East Cambridgeshire generally.

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

Dwelling type	Soham & Barway	East Cambridgeshire	England
Bungalow	-	-	-
Flat	10.0%	7.4%	21.4%
Terrace	21.1%	16.9%	23.0%
Semi-detached	36.4%	32.1%	31.5%
Detached	31.4%	42.0%	22.9%
Unknown/other	1.0%	1.6%	1.3%

Source: ONS 2021, AECOM Calculations

Dwelling size

- Turning to dwelling size, in 2011 the greatest proportion of dwellings were 3-bedroom at 41.8% of dwellings, the most common dwelling size nationally. This was followed by smaller 2-bedroom dwellings at 31.5%, and then larger 4+ bedroom dwellings at 18.1%. Looking to 2021, the proportion of 2-bedroom and 3-bedroom dwellings decreased slightly, with a slight increase in the proportion of 4+ bedroom dwellings. There was also a very small decline in the proportion of 1-bedroom dwellings. Overall, the size mix remained relatively stable between 2011 and 2021.

Table 5-3: Dwelling size (bedrooms), Soham & Barway, 2011 and 2021

Number of bedrooms	2011	2021
Studio	0.1%	-
1	8.6%	8.3%
2	31.5%	30.7%
3	41.8%	40.8%
4+	18.1%	20.1%

Source: ONS 2011, ONS 2021, AECOM Calculations

- Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 shows that the proportion of the smallest dwellings in Soham & Barway was below national levels but above the proportion in East Cambridgeshire as a whole. The proportion of 2-bedroom dwellings in the NA was well above both comparator areas, showing a greater proportion of dwellings potentially suitable for small families, first time buyers, or older persons downsizing in Soham & Barway. The proportion of mid-sized family homes was relatively even between the NA and England but slightly above the levels in East Cambridgeshire. The proportion of 4+ bedroom dwellings in the NA was well below the levels across East

Cambridgeshire, by 8.4 percentage points, as well as being slightly below national levels.

Table 5-4: Dwelling size (bedrooms), various geographies, 2021

Number of bedrooms	Soham & Barway	East Cambridgeshire	England
1	8.3%	7.3%	11.6%
2	30.7%	25.6%	27.3%
3	40.8%	38.6%	40.0%
4+	20.1%	28.5%	21.1%

Source: ONS 2021, AECOM Calculations

Age and household composition

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

Age structure

- Table 5-5 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. In 2011, the greatest proportion of the population were aged 25-44, at 30.5% of households, followed by those aged 45-64. Between 2011 and 2020, the proportion of those aged 25-44 fell slightly, although this remained the dominant category. There was also a decline in the younger age categories in this time, notably those aged 16-24, potentially indicating that younger people are moving away from the NA. There were increases in the age categories from 45+, indicative of a slightly aging population.
- Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.
- It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

Table 5-5: Age structure of Soham & Barway population, 2011 and 2020

Age group	2011 (Census)		2020 (ONS, estimated)	
0-15	2,134	19.7%	2,572	19.4%
16-24	1,126	10.4%	1,038	7.8%
25-44	3,308	30.5%	3,931	29.7%
45-64	2,809	25.9%	3,500	26.5%
65-84	1,302	12.0%	1,903	14.4%
85 and over	181	1.7%	280	2.1%
Total	10,860	-	13,224	-

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

17. 2021 Census data is not currently available for population at the most localised level and so cannot be used to represent Soham & Barway NA. However, data is available at MSOA level, with MSOA E02003737 (map shown in Appendix) able to give an indication of the 2021 population split of the NA even though it covers a wider area, hence the use of percentages as opposed to raw figures. Table 5-6 shows that the MSOA data from the 2021 Census closely aligns with the 2020 ONS estimates, with the greatest proportion of the population aged 25-44, followed closely by those aged 45-64. There was also a significant proportion of children. The MSOA figures suggest a slightly greater proportion of older persons aged 65+ than the mid-2020 estimates, but this may be due to the areas not aligning exactly as well as the 2020 figures being estimates based on population projections. On the whole, it seems as though the projections for Soham & Barway were accurate.

Table 5-6: Age structure of MSOA E02003737, 2021

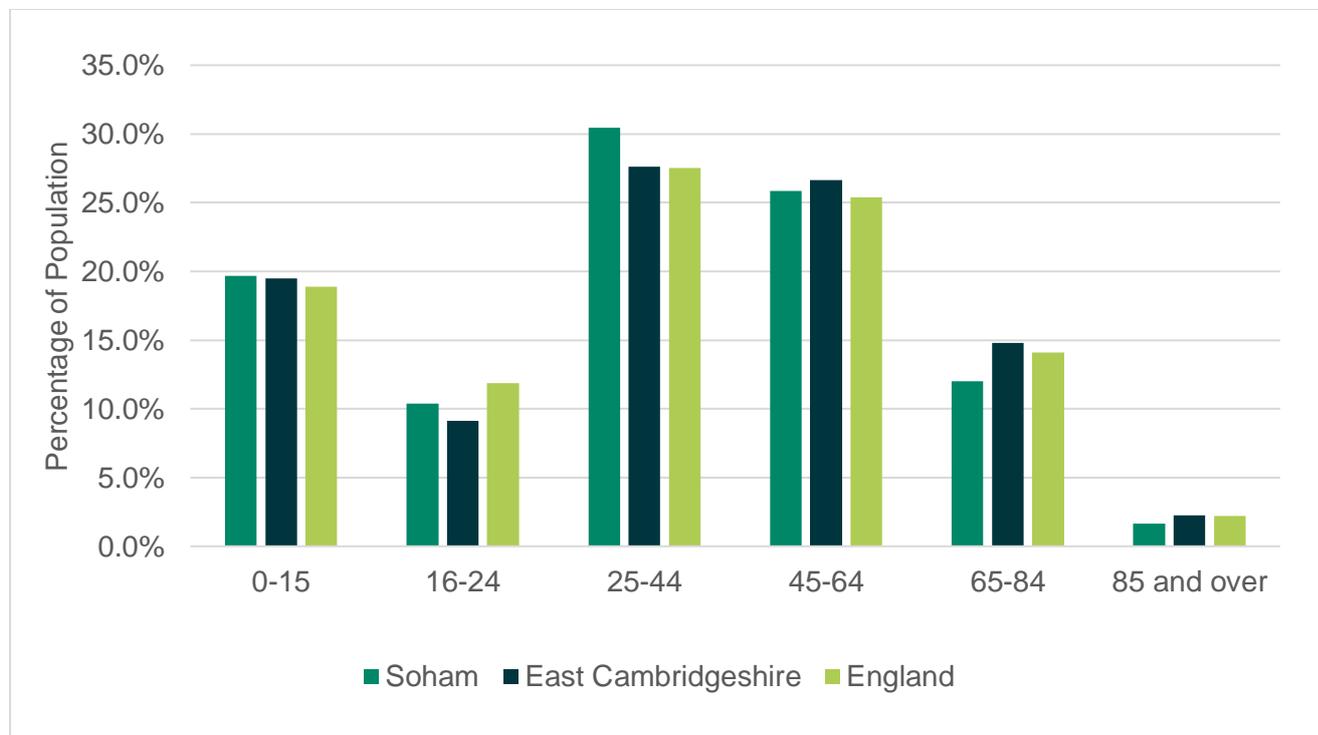
Age group	MSOA E02003737
0-15	20.4%
16-24	8.0%
25-44	28.5%
45-64	25.7%
65-84	15.0%
85 and over	2.4%

Source: ONS 2021, AECOM Calculations

18. Local authority level 2021 Census data can provide some insight into how Soham & Barway has changed over the last decade. The mid-2020 population estimates for Soham & Barway show that the population in the NA is expected to grow by 21.8% between 2011 and 2020 whilst 2021 Census data shows that the East Cambridgeshire population grew by 4.6% between 2011 and 2021. This indicates that the population of Soham & Barway is projected to have grown significantly more rapidly than the wider local authority area, likely due to it being one of three main settlements in the local authority area.
19. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2011 Census data) shows that there were not huge discrepancies between the NA, district, and country. However, there was notably a greater proportion of people aged 25-44 in Soham &

Barway than the comparator areas, potentially indicative of a greater proportion of families. Although Table 5-5 shows an aging population in the NA, the proportion of the population aged 65+ in 2011 was below that observed in both East Cambridgeshire and across the country.

Figure 5-1: Age structure in Soham & Barway, 2011



Source: ONS 2011, AECOM Calculations

Household composition

20. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-7 shows that the proportion of single person households in Soham & Barway and East Cambridgeshire was relatively similar, with these below the proportion nationally. Turning to family households, the NA and district had a higher proportion than nationally. The greatest proportion of households in Soham & Barway were families with dependent children, at 29.4% of households, slightly above the proportions in the comparator areas.
21. It is also helpful to look at the changes in households between 2011 and 2021. Notably, the proportion of family households aged 65/66²⁰ and over increased by 41.5% in Soham & Barway, whilst the proportion across East Cambridgeshire grew by 29.9% and England grew by 19.9%. This is indicative of an aging population in the NA. The proportion of families with dependent children also grew significantly in this time, by 17.4%, whilst the district and country grew by 3.2% and 3.5% respectively.

²⁰ 2011 Census counts 65 and over whilst 2021 Census counts 66 and over

Table 5-7: Household composition, Soham & Barway, 2021

Household composition		Soham & Barway	East Cambridgeshire	England
One person household	Total	27.9%	27.7%	30.1%
	Aged 66 and over	10.8%	12.8%	12.8%
	Other	17.1%	14.9%	17.3%
One family only	Total	67.1%	67.9%	63.0%
	All aged 66 and over	8.8%	11.5%	9.2%
	With no children	18.8%	19.8%	16.8%
	With dependent children	29.4%	27.0%	25.8%
	With non-dependent children ²¹	9.5%	9.3%	10.5%
	Other	0.6%	0.4%	0.8%
Other household types	Total	4.9%	4.4%	6.9%

Source: ONS 2021, AECOM Calculations

Occupancy ratings

22. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA, explored in Table 5-8. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
23. Under-occupancy was relatively common in the NA in 2011, with approximately 72.6% of households living in a dwelling with at least one extra bedroom compared to the size of the household. This was most common in family households aged 65+ (97.5% under-occupancy) and family households under 65 with no children (91.7% under-occupancy). This suggests that larger housing in Soham & Barway may be occupied by households with the most wealth or by older persons who have been unable to or unwilling to downsize, as opposed to the largest households.
24. There was still some over-occupancy in the NA, which indicates that there is some overcrowding. This is most common in families with both dependent and non-dependent children, at 4.2% and 3.6% respectively. Around 24.3% of households are considered to be living in a dwelling with the correct number of bedrooms for the size of the household.

²¹ Refers to households containing children who are older than 18 e.g students or young working people living at home.

Table 5-8: Occupancy rating by age in Soham & Barway, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	57.0%	40.5%	2.5%	0.0%
Single person 65+	34.3%	44.1%	21.5%	0.0%
Family under 65 - no children	60.1%	31.6%	8.3%	0.0%
Family under 65 - dependent children	17.0%	41.7%	37.1%	4.2%
Family under 65 - adult children	16.8%	47.2%	32.4%	3.6%
Single person under 65	33.5%	41.4%	25.1%	0.0%
All households	33.5%	39.1%	24.3%	3.1%

Source: ONS 2011, AECOM Calculations

25. 2021 Census data has been released at a localised level for occupancy but it is not yet possible to compare this to household types. Table 5-9 shows how households as a whole occupy their homes in both 2011 and 2021. This shows that in 2021 73.6% of households lived in a dwelling with at least one extra bedroom compared to the household size. This is slightly greater than the level of under-occupancy in 2011 of 72.6%. In 2021 a greater proportion of households under-occupied by two or more bedrooms than 2011 whilst fewer under-occupied by just one bedroom. The proportion of households over-occupying decreased by 0.3 percentage points in this time. It should be noted that the 2021 Census was conducted during the Covid-19 pandemic and so individuals not being in their usual household was not uncommon and may have impacted the findings.

Table 5-9: Occupancy rating by age in Soham & Barway, 2011

	+2 rating	+1 rating	0 rating	-1 rating
2011	33.5%	39.1%	24.3%	3.1%
2021	36.2%	37.4%	23.6%	2.8%

Source: ONS 2011, ONS 2021, AECOM Calculations

Dwelling mix determined by life-stage modelling

Indicative future dwelling size mix

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

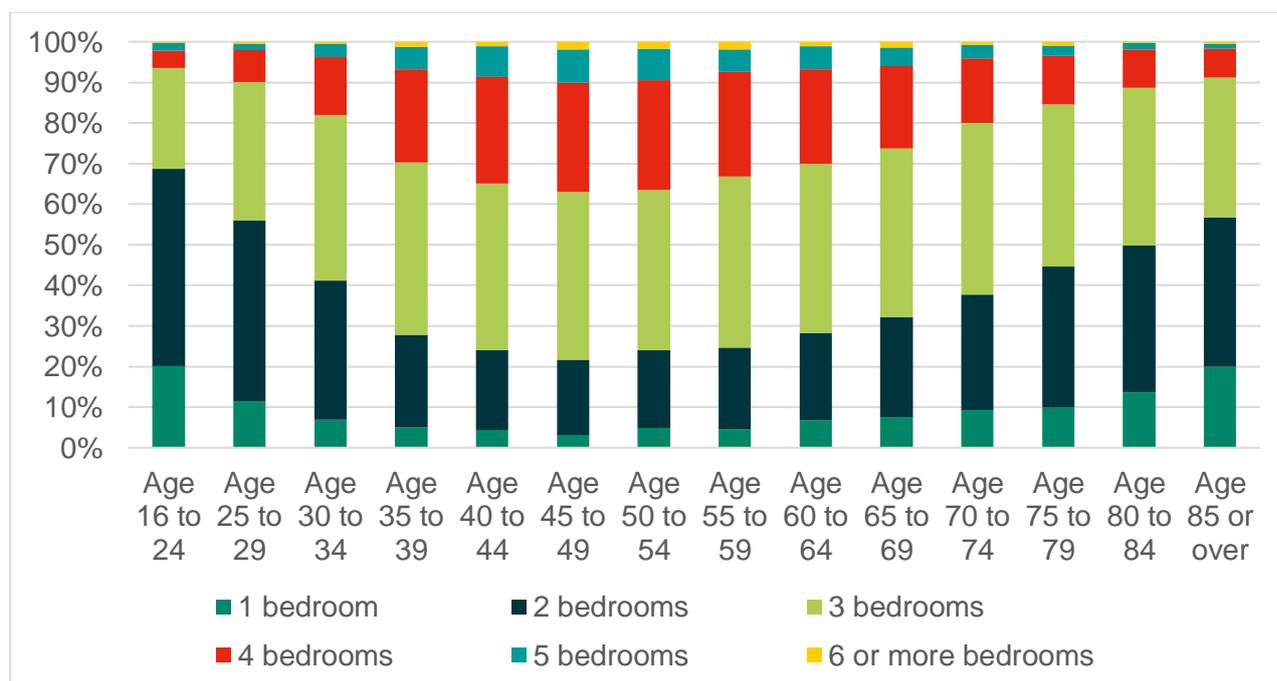
- The starting point is the age distribution of Soham & Barway households in 2011.
 - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.

- As noted above, household life stages are not estimated annually, so the older Census data must be used.
 - This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
 - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.
 - Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
 - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.
 - The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
 - Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
 - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.
27. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.
28. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the

indicative picture provided by this model is considered entirely appropriate for the purpose of drafting neighbourhood plan policy.

29. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
30. The first, given as Figure 5-2, sets out the relationship between household life stage and dwelling size for East Cambridgeshire in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

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



Source: ONS 2011, AECOM Calculations

The second dataset of note is the result of applying Local Authority level household projections to the age profile of Soham & Barway households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-10 makes clear that population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over expected to increase by 58%. This would mean that households in this age category would account for 31.5% of the population in 2031 compared to 22.5% of the population in 2011. There is also expected to be growth in households aged 55 to 64, whilst households aged 34 and under are expected to decrease.

Table 5-10: Projected distribution of households by age of HRP, Soham & Barway

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
% change 2011-2031	-7%	-13%	0%	+13%	+58%

Source: AECOM Calculations

31. The final result of this exercise is presented in Table 5-11. The model suggests that between 2011 and 2031, the proportion of smaller dwellings should decrease in the NA and the proportion of larger family housing increase. In order to reach the indicative mix by the end of the plan period, it is suggested that the greatest proportion of dwellings are delivered as 4-bedroom, at almost 50% of the mix. It also suggests the delivery of 5-bedroom and mid-sized 3-bedroom dwellings, as well as a small proportion of 1-bedroom dwellings. The model does not suggest further delivery of 2-bedroom dwellings.

Table 5-11: Indicative dwelling size mix to 2031, Soham & Barway

Number of bedrooms	2011 mix	Indicative mix (2031)	Balance of new housing to reach indicative mix
1 bedroom	8.6%	7.8%	1.6%
2 bedrooms	31.5%	27.0%	0.0%
3 bedrooms	41.8%	40.0%	23.8%
4 bedrooms	14.9%	19.3%	49.4%
5 or more bedrooms	3.2%	5.9%	25.3%

Source: AECOM Calculations

32. It is never advisable to restrict future housing delivery to selected size categories too severely. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population. Due to the level of growth expected to take place in Soham & Barway over the plan period, it is unreasonable, and not in line with the Working Party's objectives, to expect the delivery of almost 50% 4-bedroom dwellings and almost 75% 4+ bedroom. Due to the limited available data associating demography with size preferences, AECOM's modelling gives significant weight to differences between the NA and district size profiles. In this unusual case, the NA has a greater proportion of smaller dwellings and a lesser proportion of larger dwellings, likely due to the influence of small villages in the NA). The result brings the NA closer in line with the district through larger homes. This outcome is clearly inappropriate, in that it would severely limit choice in new housing, diverge from Soham's existing character and density patterns, have negative impacts on affordability, and likely require more land than is available. In effect, idiosyncrasies with the data the modelling cannot avoid using has skewed the outcome in a potentially

harmful way, and as such the final result should be largely disregarded. However, this is the most established and rational method to determine an area's future size mix, so reaching a more appropriate conclusion requires thinking beyond the model results.

33. In addition, it is noted that Soham & Barway is expected to deliver more development than natural growth of the current population would expect. However, there is no way of determining the potential mix of these new residents or their housing needs. Instead, extrapolating existing trends and drawing on established projections is the best way forward. Because their needs cannot be anticipated precisely, it is prudent to focus on the needs of the existing population and to expect new residents moving into the area to adapt to the choices thereby made available. An exception to this is if the Working Party or broader community aims to change its demographic balance and attract any specific groups.
34. Bearing these complexities in mind, an alternative approach that could be taken is for new development to match the indicative mix of what housing overall might ideally look like (middle column of Table 5-11) rather than the balance of what it would take for new construction to achieve that ideal. This mix is more balanced than the recommended mix of delivery and would focus more on mid-sized 3-bedroom dwellings with the provision of some smaller dwellings (e.g. for downsizing) and some larger dwellings (e.g. for growing families). All of these outcomes are, in AECOM's judgement, in service of the evolving needs of the community.
35. As noted above, there has been significant development in the NA since 2011, with the size mix of development over the last decade shown in Table 5-12, based on the change between the 2011 and 2021 Census. This shows that during that period, approximately 34% of development in Soham & Barway was for 3-bedroom dwellings, with the same proportion 4+ bedroom dwellings. There was little provision of the smallest dwellings but over a quarter of dwellings were 2-bedroom. Comparing this to the ideal mix by the end of the plan period (middle column of Table 5-11), it shows that there was a greater delivery of larger dwellings but a smaller provision of mid-sized dwellings. The proportions of smaller 1-bedroom and 2-bedroom dwellings delivered was roughly in line with the ideal mix. This is a further reason why the Working Party could seek a future mix that gives more weight to mid-sized dwellings and less to larger dwellings than the original model recommendation (right column of Table 5-11). The indicative mix (middle column in Table 5-11) serves that function.

Table 5-12: Size mix of Soham & Barway dwellings 2011-2021

Number of bedrooms	Increase in dwelling sizes 2011-2021 ²²	Increase in dwelling sizes 2011-2021 (%) ²³	% Change in dwelling size mix 2011-2021
1 bedroom	44	6.8%	+11.5%
2 bedrooms	167	25.8%	+11.9%
3 bedrooms	220	34.0%	+11.8%
4+ bedrooms	223	34.4%	+27.7%

Source: ONS 2021, ONS 2011, AECOM Calculations

36. The indicative size mix is for housing overall, both market and affordable. When thinking about the mix of Affordable Housing, it is helpful to look at the size mix of the Housing Register for Soham & Barway (from households that already live in Soham). This suggests the need for the following size dwellings:

- 15.8% studios or 1-bedroom;
- 38.5% 2-bedroom;
- 25.9% 3-bedroom;
- 17.3% 4-bedroom; and
- 2.5% 5-bedroom.

This shows that the delivery of smaller dwellings should not be unduly restricted as households in need of Affordable Housing, or lower cost housing, would likely require smaller dwellings, as demonstrated by the Housing Register.

37. As Soham & Barway will likely be helping to meet the development needs of the wider district over the plan period, it may also be helpful to consider the recommended size mix of dwellings for East Cambridgeshire as a whole outlined in the Housing Needs of Specific Groups study undertaken in October 2021 for Cambridgeshire & West Suffolk. Figure 5-3 shows the suggested mix of housing by size and tenure across East Cambridgeshire, as per Table 84 in the Cambridgeshire & West Suffolk study. It suggests that the majority of market housing should be delivered as mid-sized 3-bedroom dwellings, as per the middle column of Table 5-11, with this followed by 4+ bedroom and 2-bedroom dwellings. For affordable home ownership the mix moves to slightly smaller dwellings, but with a considerable proportion still in each category. Affordable rented housing is suggested to be focussed on the smaller dwelling sizes, with some provision still of larger dwellings. This is another mix that the Working Party could consider when looking at the size mix of future development in the NA.

²² This change between 2011 and 2021 will take into account new development, extensions to dwellings, and any potential demolitions.

²³ As above.

Figure 5-3: Table 84 from Cambridgeshire & West Suffolk Housing Needs of Specific Groups – Suggested mix of housing by size and tenure, East Cambridgeshire

Tenure	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	0-10%	20-30%	40-50%	20-30%
Affordable home ownership	15-25%	35-45%	25-35%	5-15%
Affordable housing (rented)	30-40%	35-45%	15-25%	0-10%

Source: Housing Market Model based on ONS Data

Source: Cambridgeshire & West Suffolk Housing Needs of Specific Groups

38. Community consultation is also important, with the Working Group’s findings showing that 46.2% of respondents felt that family housing was needed, along with 16.3% starter homes, 31.7% rental properties, and 17.8% retirement housing. These do not total 100% as respondents were able to select more than one option. The demand for family housing identified in this survey aligns with the need for mid-sized/larger housing in Soham & Barway in order to accommodate these families. There is no size preference specified for rental properties and splitting the size mix into tenures is not within the scope of this report. In addition, private rental properties tend to start as open market dwellings which owners then decide to rent out. Further community consultation may be beneficial if the Working Group require more detail on this.
39. The preceding chapter found that affordability is a challenge in the NA. While the provision of Affordable Housing is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents’ budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.
40. It may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a strong justification to continue supplying larger homes because a different kind of larger home is needed to accommodate growing families with less buying power.
41. All of the factors discussed above are important when determining a size mix of dwellings for the NA. AECOM cannot offer a certain split that would be appropriate as this is for the Working Party to determine based on the evidence provided and form into policy. However, the indicative mix (middle column in Table 5-11_ serves as a suitable starting point and could be reasonably taken forward if no adjustments are desired. Generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

Conclusions- Type and Size

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

Current dwelling stock

43. In 2011 the greatest proportion of dwellings in Soham & Barway were semi-detached, followed by detached dwellings. In 2021 the greatest proportion of dwellings remained semi-detached. The proportion of flats and terraced dwellings in the NA grew slightly in this time. VOA data shows that in 2021 approximately 19.8% of dwellings were bungalows, slightly above the proportion across East Cambridgeshire and well above national levels. Soham & Barway had a slightly higher proportion of flats than the wider district, likely due to the NA being one of the largest settlements, and therefore more likely to have flats than the smaller rural villages. However, this level was significantly below nationally.
44. Turning to dwelling size, in 2011 the greatest proportion of dwellings were 3-bedroom, followed by smaller 2-bedroom dwellings, and then larger 4-bedroom dwellings. Looking to 2021, the proportion of 2-bedroom and 3-bedroom dwellings decreased slightly, with a slight increase in the proportion of 4+ bedroom dwellings. Overall, the size mix remained relatively stable over the last decade. In 2021 the proportion of the smallest (1-bedroom) dwellings in Soham & Barway was below national levels but above the proportion in East Cambridgeshire as a whole. The proportion of 2-bedroom dwellings in the NA was well above both comparator areas, with the proportion of mid-sized homes relatively even across all comparator areas. The proportion of 4-bedroom dwellings in the NA was well below the levels across East Cambridgeshire as well as slightly below national levels.

Demographics

45. In 2011, the greatest proportion of the population in Soham & Barway were aged 25-44, at 30.5% of households, followed by those aged 45-64. Between 2011 and 2020, the proportion of those aged 25-44 fell slightly, although this remained the dominant category. There was also a decline in the younger age categories in this time, potentially indicating that younger people are moving away from the NA. There were increases in the age categories from 45+, indicative of a slightly aging population.
46. Between 2011 and 2031 growth can be expected to be driven by the oldest households in the NA, with households with a household reference person aged 65 and over expected to increase by 58%. This would mean that households in

this age category would account for 31.5% of the population in 2031 compared to 22.5% of the population in 2011.

47. Looking at household composition, the proportion of single person households in Soham & Barway and East Cambridgeshire in 2021 was relatively similar, with these below the proportion nationally. Turning to family households, the NA and district had a higher proportion than nationally. The greatest proportion of households in Soham & Barway were families with dependent children, at 29.4% of households, slightly above the proportions in the comparator areas. Between 2011 and 2021 the proportion of family households aged 65/66 and over increased by 41.5% in Soham & Barway, compared to increases of 29.9% across East Cambridgeshire and 19.9% nationally.
48. Under-occupancy was relatively common in the NA in 2011, with approximately 72.6% of households living in a dwelling with at least one extra bedroom compared to the size of the household. This was most common in family households aged 65+ and family households under 65 with no children. This suggests that larger housing in Soham & Barway may be occupied by households with the most wealth or by older persons who have been unable to or unwilling to downsize, as opposed to the largest households. There was still some over-occupancy in the NA, which indicates that there is some overcrowding. This is most common in families with both dependent and non-dependent children.

Future size mix

49. AECOM modelling suggests that in order to reach the indicative mix by the end of the plan period, the greatest proportion of dwellings should be delivered as larger homes (4+ bedrooms). Whilst it might be useful to give some priority to larger, family homes in the future dwelling mix, it is likely that a range of different property sizes will be required, particularly for households needing affordable housing, as reflected in the Council's waiting list.
50. The Chapter finds that the indicative mix (middle column of Table 5-11) may be a more appropriate starting point for the future size mix of housing, offering a more balanced split of dwelling sizes as not to limit choices in new housing or diverge too far from Soham's existing character.
51. Generally it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

6. RQ 3: Specialist housing for older people

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

Introduction

1. This chapter considers in detail the specialist housing needs of older and disabled people in Soham & Barway. The level of care associated with specialist housing products can vary widely, and is broadly categorised, in descending order from highest to lowest care level, as follows
 - Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);
 - Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and
 - Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.
2. People experience ageing differently. Much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age while others may need support and care much earlier in their lives. Some will be interested in moving to a suitable home closer to services while for others ageing independently in place will be key to their wellbeing.
3. 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.
4. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,²⁴ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
5. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline

²⁴ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

as opposed to the projected new households which form the baseline for estimating housing need overall.²⁵

6. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).²⁶ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.

Current supply of specialist housing for older people

7. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: <http://www.housingcare.org>.
8. Table 6-1 counts a total of 231 units of specialist accommodation in the NA at present, with around 15.2% available for leasehold purchase. 45.0% are available for social rent for those in financial need, with the remaining 39.8% available for both social rent and shared ownership. In addition, there is a 30 bed care home, Fair Haven, in Soham. It is worth noting that the Working Group note 3 care homes in the NA, most of which house residents from outside of the NA.
9. ONS 2020 population estimates suggest that there are currently around 969 individuals aged 75 or over in Soham & Barway. This suggests that current provision is in the region of 238 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

²⁵ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

²⁶ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Table 6-1: Existing specialist housing for Older People in Soham & Barway

Name	Description	Dwellings	Tenure	Type	
1	Foxwood Place	Variety of 2-bedroom and 3-bedroom flats and bungalows.	35	Leasehold	Retirement Housing
2	Frank Bridges Close	Variety of 1-bedroom and 2-bedroom flats and bungalows with some wheelchair standard properties.	43	Rent (social landlord)	Retirement Housing
3	Lode Close / College Road	1-bedroom and 2-bedroom bungalows with some wheelchair standard properties.	26	Rent (social landlord)	Retirement Housing
4	Millbrook House	1-bedroom, 2-bedroom, and 3-bedroom flats and bungalows.	92	Rent (social landlord) and shared ownership	Extra Care Housing
5	The Causeway	1-bedroom bungalows with some wheelchair standard properties.	16	Rent (social landlord)	Retirement Housing
6	The Crescent	1-bedroom and 2-bedroom bungalows with some wheelchair standard properties.	19	Rent (social landlord)	Retirement Housing

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

Tenure-led projections

10. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across East Cambridgeshire, as this is the most recent and smallest geography for which tenure by age bracket data is available.
11. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2031. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
12. According to Table 6-2, the vast majority of households aged 55-75 in East Cambridgeshire in 2011 owned their own home, at 79.8% of households. The remaining 20.2% of households rented, with the greatest proportion of those living in socially rented dwellings, at 12.0% of all households. It may be surmised that the existing stock of specialist older persons housing in the NA does not cater enough for the owner occupied sector. However, this is before

taking into consideration mobility limitations specific to the NA and the fact that home adaptations may be more suitable for households that own their own home than those living in the social rented or private rented sector.

Table 6-2: Tenure of households aged 55-75 in East Cambridgeshire, 2011

All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
79.8%	56.4%	23.4%	20.2%	12.0%	6.0%	2.1%

Source: Census 2011

- The next step is to project how the overall number of older people in Soham & Barway is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for East Cambridgeshire at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 6-3. This shows that in Soham & Barway in 2011, approximately 6.5% of the population were aged 75+, slightly below levels across East Cambridgeshire. The proportion is expected to increase to 9.9% by the end of the plan period, although this still remains below the district proportion.

Table 6-3: Modelled projection of older population in Soham & Barway by end of Plan period

Age group	2011		2031	
	Soham & Barway	East Cambridgeshire	Soham & Barway	East Cambridgeshire
All ages	10,860	83,818	12,300	94,928
75+	705	6,767	1,213	11,640
%	6.5%	8.1%	9.9%	12.3%

Source: ONS SNPP 2020, AECOM Calculations

- A key assumption for the next stages of the calculation is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture).
- The people whose needs are the focus of the subsequent analysis are therefore the additional 508 individuals expected to join the 75+ age group by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in East Cambridgeshire in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 6,767 individuals aged 75+ and 4,874 households headed by a person in that age group. The average household size

is therefore 1.39, and the projected growth of 508 people in Soham & Barway can be estimated to be formed into around 366 households.

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

Table 6-4: Projected tenure of households aged 75+ in Soham & Barway to the end of the Plan period

Owned	Owned (mortgage) or shared ownership		All rented	Social rented	Private rented	Living rent free
292	206	86	74	44	22	8

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

17. Next, rates of disability by tenure are considered. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table 6-5 presents this data for Soham & Barway from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

Table 6-5: Tenure and mobility limitations of those aged 65+ in Soham & Barway, 2011

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	354	24.2%	417	28.5%	692	47.3%
Owned Total	206	19.5%	298	28.2%	553	52.3%
Owned outright	186	19.5%	273	28.6%	497	52.0%
Owned (mortgage) or shared ownership	20	19.8%	25	24.8%	56	55.4%
Rented Total	148	36.5%	119	29.3%	139	34.2%
Social rented	122	41.2%	88	29.7%	86	29.1%
Private rented or living rent free	26	23.6%	31	28.2%	53	48.2%

Source: DC3408EW Health status

18. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final

tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 366.

19. These findings are set out in the table, based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

Table 6-6: AECOM estimate of specialist housing need in Soham & Barway by the end of the Plan period

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	84
	27	57	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	104
	22	82	
Total	49	139	188

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

20. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table 6-7

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

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

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

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

Source: Housing LIN SHOP Toolkit

22. As Table 6-3 shows, Soham & Barway is forecast to see an increase of 508 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:
 - Conventional sheltered housing to rent = $60 \times 0.508 = 30$
 - Leasehold sheltered housing = $120 \times 0.508 = 61$
 - Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.508 = 10$
 - Extra care housing for rent = $15 \times 0.508 = 8$
 - Extra care housing for sale = $30 \times 0.508 = 15$
 - Housing based provision for dementia = $6 \times 0.508 = 3$
23. This produces an overall total of 127 specialist dwellings which might be required by the end of the plan period.
24. Table 6-8 sets out the HLIN recommendations in the same format as Table 6-6. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates.

Table 6-8: HLIN estimate of specialist housing need in Soham & Barway by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	36
	16	20	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	91
	30	61	
Total	46	81	127

Source: Housing LIN, AECOM calculations

Housing Needs of Specific Groups findings

25. The 2021 Housing Needs of Specific Groups study found that across East Cambridgeshire the need for specialist housing for older people accounted for 11% of the total district housing need. The greatest proportion of need was identified in Fenland (21%), with the smallest proportion in Cambridge City (6%).
26. Whilst this Housing Needs Assessment does not assess the potential need for residential care bed-spaces (care homes) at a local level, the Housing Needs of Specific Groups assesses the need across the local authority as a whole. It identifies that between 2020 and 2040, East Cambridgeshire has an estimated shortfall of 1,145 care bed spaces. If this was pro-rated to the NA, it suggests a shortfall of 148.9 care beds between 2020 and 2040, or 7.4 per annum.

Conclusions- Specialist Housing for Older People

27. There are currently 231 units of specialist accommodation for older persons in the NA, with approximately 84.8% affordable (social rent or shared ownership), and 15.2% available for leasehold purchase. In addition, there is a 30 bed care home, Fair Haven, in Soham.
28. It is expected that during the plan period, 508 individuals will join the 75+ age group in Soham & Barway. They are estimated to be formed into around 366 households. It is projected that by the end of the plan period there will be 1,213 individuals in the 75+ age category in the NA.
29. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.

30. These two methods of estimating the future need in Soham & Barway produce a range of 127 to 188 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.
31. It is important to take into consideration the breakdown in levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-6, the majority of the need, at 73.9%, is identified for specialist market housing. Slightly more need is identified for sheltered housing at 55.3% compared to 44.7% extra-care. The greatest sub-category of need was identified for market sheltered housing at 43.6% of the total need. However, this need is for individuals with less severe limitations and at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
32. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another avenue open to the Neighbourhood Planning groups is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with the LPA. The local level evidence supplied in this report could be used to influence district level policies.
33. The evidence may also be used to influence Neighbourhood Plan policies, with the Witchford Neighbourhood Plan (in East Cambridgeshire) including policy explicitly encouraging the development of accessible and adaptable dwellings. Policy WNP H1 (Housing Mix) outlines that "where there is up to date evidence of need for homes to be accessible and adaptable they should be built to accessible and adaptable M4(2) standard"²⁷, with exceptions allowed due to viability in some circumstances. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).
34. The adopted Local Plan for East Cambridgeshire does not set targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). Government is considering mandating M4(2) on newly erected dwellings²⁸, although changes to Building Regulations have not yet been made. The evidence gathered here would appear to justify the Working Group approaching the LPA to discuss setting requirements on accessibility and adaptability at a district level and/or developing neighbourhood level policies.
35. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate

²⁷ See <https://www.eastcamb.gov.uk/sites/default/files/WNP%20Made%201052020.pdf> – page 45

²⁸ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](#)

those using wheelchairs might be set with reference to the proportion of affordable housing applicants in the district falling into this category.

36. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
 - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
37. 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).
38. It is considered that Soham & Barway is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Soham & Barway in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself.
39. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

7. Next Steps

Recommendations for next steps

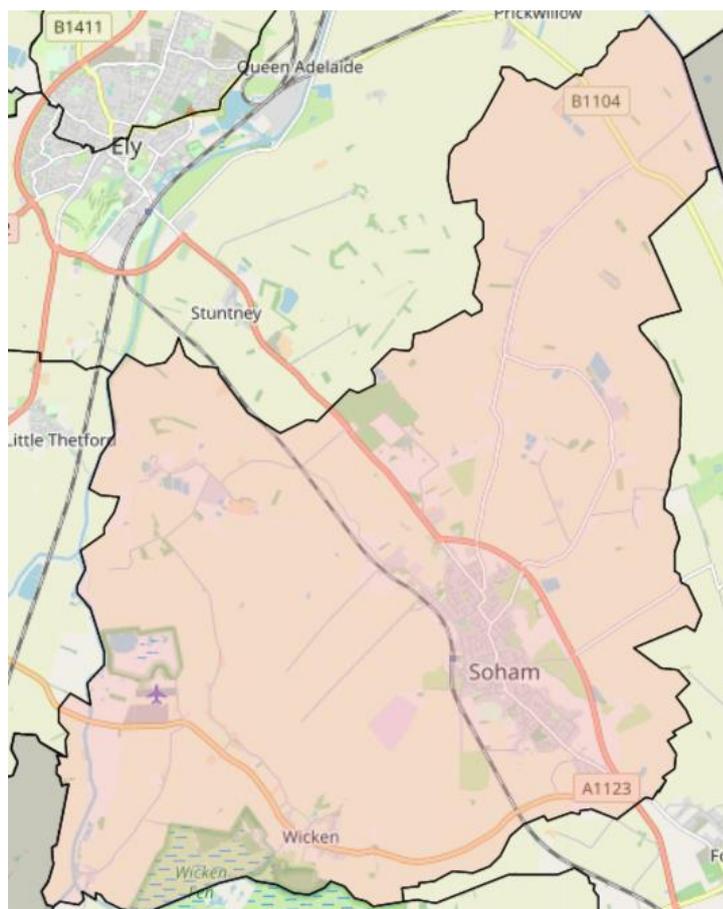
1. This Neighbourhood Plan housing needs assessment aims to provide Soham & Barway with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with East Cambridgeshire 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 East Cambridgeshire 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 East Cambridgeshire District Council.
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.
3. Bearing this in mind, it is recommended that the Neighbourhood Plan Working Party should monitor carefully strategies and documents with an impact on housing policy produced by the Government, East Cambridgeshire District Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
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 : Calculation of Affordability Thresholds

A.1 Assessment geography

1. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Area. Such data is available at MSOA level but not at the level of Neighbourhood Areas.
2. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of Soham & Barway, it is considered that MSOA E02003737 is the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map appears in Figure A-1.

Figure A-1: MSOA E02003737 used as a best-fit geographical proxy for the Neighbourhood Area



Source: ONS

A.2 Market housing

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

i) Market sales

5. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
6. 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 Soham & Barway, 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.
7. The calculation for the purchase threshold for market housing is as follows:
 - Value of a median NA house price (2021) = £240,000;
 - Purchase deposit at 10% of value = £24,000;
 - Value of dwelling for mortgage purposes = £216,000;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £61,714.
8. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2021 was £200,000, and the purchase threshold is therefore £51,429.
9. 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 recorded no sales of new build properties in the NA in 2021. AECOM has therefore calculated an estimate for the cost of new build entry-level housing in the NA in 2021. This is important as it is the expected lower end of the market for new housing in the near future, and it is also the benchmark used for the likely cost of affordable home ownership products (calculated later in the Appendix). The estimated NA new build entry-level house price is calculated by

determining the uplift between all house prices in 2021 across East Cambridgeshire and new build house prices in 2021 in the same area. This percentage uplift is then applied to the 2021 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £224,445 and purchase threshold of £57,715.

10. 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 East Cambridgeshire in 2021. The median cost of new build dwellings in East Cambridgeshire was £350,977, with a purchase threshold of £90,251.

ii) Private Rented Sector (PRS)

11. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.
12. 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.
13. The property website Rightmove.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within Soham & Barway specifically.
14. According to Rightmove.co.uk, there were 23 properties for rent at the time of search in October 2022, with an average monthly rent of £1,150. There were 9 two-bed properties listed, with an average price of £894 per calendar month.
15. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
 - Annual rent = £894 x 12 = £10,727;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £35,756.
16. The calculation is repeated for the overall average to give an income threshold of £45,983.

A.3 Affordable Housing

17. There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2021: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. More recently, a new

product called First Homes has been introduced in 2021. Each of the affordable housing tenures are considered below.

i) Social rent

18. 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.
19. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Soham & Barway. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for East Cambridgeshire in the Table A-1.
20. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£87.94	£100.16	£110.38	£122.71	£102.51
Annual average	£4,573	£5,208	£5,740	£6,381	£5,331
Income needed	£15,228	£17,344	£19,113	£21,248	£17,751

Source: Homes England, AECOM Calculations

ii) Affordable rent

21. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
22. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
23. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for East Cambridgeshire. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.

24. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 57.3% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£104.57	£118.17	£137.54	£191.04	£126.26
Annual average	£5,438	£6,145	£7,152	£9,934	£6,566
Income needed	£18,107	£20,462	£23,816	£33,080	£21,863

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

25. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.
26. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

First Homes

27. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.
28. The starting point for these calculations is therefore the estimated cost of new build entry-level housing in the NA noted above of £224,445.
29. For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (estimated NA new build entry-level) = £224,445;
 - Discounted by 30% = £157,112;
 - Purchase deposit at 10% of value = £15,711;
 - Value of dwelling for mortgage purposes = £141,401;

- Divided by loan to income ratio of 3.5 = purchase threshold of £40,400.
30. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £34,629 and £28,857 respectively.
 31. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. The discounted prices are also all below the cap of £250,000.
 32. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m²⁹) would be around £122,500. This cost excludes any land value or developer profit. This would only appear to be an issue in Soham & Barway with First Homes at a 50% discount.

Shared ownership

33. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%) and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
34. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
35. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
36. The affordability threshold for a 25% equity share is calculated as follows:
 - A 25% equity share of £224,445 is £56,111;
 - A 10% deposit of £5,611 is deducted, leaving a mortgage value of £50,500;

²⁹ 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/>

- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £14,429;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £168,334;
 - The estimated annual rent at 2.5% of the unsold value is £4,208;
 - This requires an income of £14,027 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £28,456 (£14,429 plus £14,027).
37. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £22,605 and £38,209 respectively.
38. All of the income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

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

Help to Buy (Equity Loan)

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

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods³⁰.

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 Standard³¹

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.

³⁰ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

³¹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order³²

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)³³

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

Equity Loans/Shared Equity

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

³² See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

³³ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years³⁴, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

³⁴ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing³⁵

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

³⁵ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.³⁶

³⁶ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

