

Godstone

Housing Needs Assessment (HNA)

April 2024

Quality information

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Revision History

Revision	Date	Authorized	Position
1. First Draft	March 2024	Chloe Aiken	Graduate Town Planner
2. Internal Review	March 2024	Kerry Parr	Associate Director
3. Issue for Group Review	March 2024	Chloe Aiken	Graduate Town Planner
4. Group Review	April 2024	Colin White	Godstone Parish Council Treasurer
5. Locality Review	April 2024	Annabel Osborne	Neighbourhood Planning Officer Locality
6. Final Report	April 2024	Chloe Aiken	Graduate Town Planner

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List of acronyms used in the text:

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

1. Executive Summary

- 1.1 Godstone is a Neighbourhood Area (NA) located in the district of Tandridge. The NA boundary covers the areas administered by Godstone Parish Council.
- 1.2 The 2021 Census recorded 6,212 individuals in Godstone NA, indicating an increase of 263 people since the 2011 Census.
- 1.3 There has been some development in Godstone NA in recent years. Tandridge has provided data showing that 30 new homes have been built and delivered as Affordable Housing since 2011. The current total number of dwellings in the NA is therefore estimated to be 2,538.
- 1.4 This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Godstone Parish Council at the outset of the research.
- 1.5 Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.

Conclusions – Tenure and Affordability

Current tenure profile

- 1.6 In 2021, the NA and LA had a higher proportion of households that owned their own home than that at national levels. Across the geographies there was a very small proportion of households living in shared ownership dwellings in 2021. The NA and England both had a very similar proportion of households living in social rented dwellings. In comparison to England, the NA and LA had a smaller private rented sector.

Affordability

- 1.7 Between 2013 and 2022 house prices have increased but also fluctuated, with peaks in 2014, 2019 and 2022. Over the decade, the median house prices increased by 68.7% to £438,500. The lower quartile house price increased similarly by 67.1% to £364,250. The median house price in the LA (£487,500) was approximately only 10% greater than the median house price in Godstone NA in the same year.
- 1.8 Local households on average incomes of £52,800 per year are unable to access even entry-level homes unless they have an advantage of a very large deposit. Private renting is generally only affordable to households who are higher earners. Households made up of one and two lower quartile earners cannot afford the given rental thresholds.

- 1.9 Turning to affordable home ownership, First Homes in Godstone NA appear affordable to households on average incomes if they are delivered at 50% discount. Increasing the discount level does not make the product affordable to further groups. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Rent to Buy may therefore offer a useful product to meet the needs of some households with little or no savings for a deposit.
- 1.10 Affordable housing is generally affordable to households with two lower earners. If individuals are unable to secure an affordable or social rented dwelling, they may require additional subsidy through Housing Benefit / Universal Credit to access housing.

The need for Affordable Housing

- 1.11 AECOM estimates the need for 4.3 affordable rented homes per annum in the NA, equating to a total of 39 (38.4) over the plan period. This need is largely for social/ affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.
- 1.12 AECOM also estimate the potential demand for 15 (14.8) affordable home ownership per annum in the NA, equating to a total of 134 (133.5) over the plan period.

Affordable Housing policy

- 1.13 AECOM suggest an indicative mix for Affordable Housing, balancing factors, including the greater demand for affordable home ownership then need for social/ affordable rent and the current backlog of need on the Housing Register. In this circumstance it is suggested that Affordable Housing in Godstone NA might be delivered at 70% housing for rent and 30% home ownership.

In line with national policy, it is suggested that 25% of Affordable Housing is delivered as First Homes, at a 50% discount in the NA. A further 5% is allocated to shared ownership rather than more First Homes. Rent to Buy does not feature in the recommended mix as it was considered the least affordable tenure locally.

- 1.14 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 neighbourhood development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

Conclusions – Type and Size

The current housing mix

- 1.15 Between 2011 and 2021 there was a slight change in the dwelling type mix. In both years the greatest proportion of households in the NA lived in semi-detached dwellings at 34.1% in 2011 and 34.5% in 2021. This was closely followed by detached dwellings at 27.4% in 2011 and 26% in 2021. Notably, fewer households lived in flats which 17.3% in

2011 and 18.1% in 2021. VOA data shows that in 2022, 8.7% of the dwellings in Godstone NA were bungalows, which was close to the proportion across the LA (9.7%) and England (9.2%). These are likely to account for a significant number of the detached and semi-detached dwellings noted in the Census.

- 1.16 The housing mix in terms of size also changed very little over the decade. In both 2011 and 2021 around 40% of households lived in mid-sized 3-bedroom dwellings. Just over a quarter of households lived in 2-bedroom dwellings during this time. Notably, a small proportion of households lived in 1-bedroom dwellings in 2011 (9.7%) and 2021 (10.1%).
- 1.17 Godstone NA and England had the same proportion of households living in 3-bedroom dwellings in 2021. Across the various geographies there was a similar proportion of households living in 1-bedroom and 2-bedroom dwellings, with the least proportion of households living in 1-bedroom dwellings.

Population characteristics

- 1.18 Between 2011 and 2021 the overall population in Godstone NA increased by 4.4%. The greatest proportion of people were aged 45-64 in both years. The age group 0-14 was the only group to decline over the decade. The number of people aged 85 and over seen the biggest increase at 10.5%. This data highlights the ageing population in the NA.
- 1.19 The NA and LA had a slightly smaller proportion of one person households compared to nationally in 2021. However, the NA and LA had a slightly larger proportion of one family households compared to national levels. Across the various geographies there were similar proportions across the household composition groups with only slight differences.
- 1.20 Under-occupancy is relatively common in the NA with 70.2% of households living in a dwelling with 1 or 2 extra bedrooms compared to their household size. This is most common in families aged 66+, families under 66 with no children and single people aged 66+. This suggests that larger housing in the NA may be occupied by households with the most wealth rather than the largest families.

Future population and size needs

- 1.21 Population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over projected to significantly increase by 49% between 2011 and 2033. This would mean that households with a household reference person aged 65 and over would account for 38.6% of the population in 2033 compared to 29.9% in 2011. In contrast, ages 25 to 54 are projected to slightly decline by 2% and 3%. Ages 24 and under as well as ages 55 to 64 are projected to expand at a slow rate.
- 1.22 AECOM modelling suggest that by the end of the Plan period there should be substantial provision of 4-bedroom and larger dwellings but also continued provision of smaller dwellings. Within the NA, 3-bedroom dwellings appear to be present in sufficient number which results in little need for more. However, it is unlikely to be appropriate to prohibit the delivery of any particular dwelling size. The SHMA on the other hand found that there would be a greater need for 3-bedroom dwellings compared to other dwelling sizes. It

must be noted that whilst modelling in isolation at the NA level may show the need for particular dwelling sizes to provide greater choice locally, there may be strategic reasons to provide a different mix, for example, to meet wider needs and offer wider choice at the LA or housing market scale.

Conclusions – Specialist Housing for Older People

- 1.23 There are currently 24 units of specialist accommodation in the NA, these being social flats for retirement housing. Additionally, there are two Care Homes in the NA, providing a total of 108 bedspaces (51 in one and 57 in the other).
- 1.24 2021 Census data suggests that there were 612 individuals aged 75+ in the NA. This is projected to increase to 813 by the end of the Plan period, with the 75+ population accounting for 12.5% of the NA's population in 2033.

Specialist Housing for Older People

- 1.25 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.
- 1.26 These two methods of estimating the future need in Godstone NA produce a range of 48 to 50 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
- 1.27 There is a greater need for market accommodation over affordable in the NA, particularly market sheltered housing. Overall, in comparison to extra care housing, sheltered housing has a greater need across both affordable and market tenures. However, these needs could be met through home adaptations or through ensuring that all future housing is adaptable and accessible, especially given the NA's rural location which may not make it a suitable location of specialist schemes. A total of 25 extra care units are also to be provided through the emerging Local Plan, however, it is unlikely they will be provided in the NA.
- 1.28 It is important for specialist housing for older people to be provided in sustainable, accessible locations, with cost-effectiveness and economies of scale also important factors to consider. Therefore, it is considered that the nearby town of Caterham would likely be a more appropriate location for specialist accommodation for older people.

Care Homes

- 1.29 Care home accommodation is defined as institutional accommodation rather than housing. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on this rate and the expected increase of 201 individuals aged 75+ between 2021 and 2033, it is estimated that in 2033 there

would be a need for 13 additional residential care beds and 9 nursing care beds in the NA. Some of the need for care home beds might be met by independent housing accommodation and vice versa. In addition, some of this need could likely be met through the turnover in current care bed spaces.

Adaptable and Accessible Housing

- 1.30 Given that there is unlikely to be a large volume of additional specialist supply during the plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
- 1.31 The emerging Local Plan policy TLP14 supports the development of additional specialist or extra care units. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here may justify the Godstone Parish Council approaching the LPA to discuss setting requirements on accessibility and adaptability at district level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

2. Context

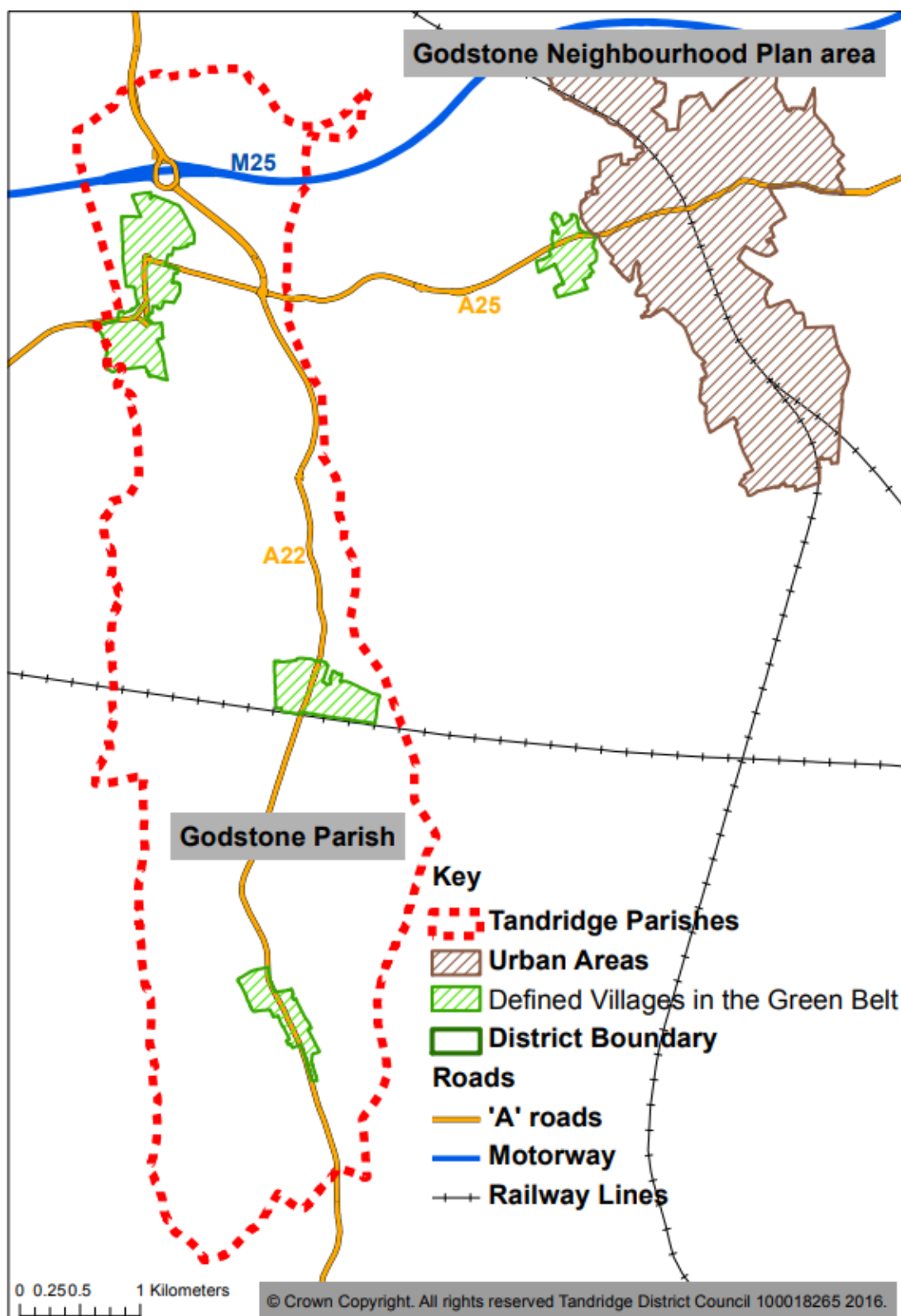
Local context

- 2.1 Godstone is a Neighbourhood Area (NA) located in the district of Tandridge in Surrey. The NA boundary aligns with the parish boundary and was designated in March 2017.
- 2.2 The Neighbourhood Plan is envisaged to start in 2024 and extend to 2033, therefore covering a period of 9 years. The evidence supplied in this report will look forward to the Plan end date of 2033, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
- 2.3 Godstone Parish comprises of the three villages of Godstone, South Godstone and Blindley Heath. Godstone is the largest village and is located adjacent to junction 6 of the M25. In terms of amenities, Godstone has a fire station, Church, pharmacy, cafes, restaurants, post office, newsagents, youth centre, GP, petrol station, nursery school and children's farm. South Godstone lies along the A22 and has the amenities of a primary school, petrol station, train station and a restaurant. Blindley Heath also lies along the A22 where a nursery school, restaurant, chiropodist, cricket club and Church can be found. The parish is within the Metropolitan Green Belt, which is a statutory green belt surrounding London. The nearest towns are Oxted and Caterham which are approximately 3.5 miles east and 3 miles north of Godstone.

The NA boundary and key statistics

- 2.4 For Census purposes, the NA is made up, like the rest of England, of statistical units called Mid-Layer Super Output Areas (MSOAs). A breakdown of the MSOAs relevant to Godstone NA is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Godstone Neighbourhood Area



Source: Tandridge District Council¹

¹ Available at <https://www.tandridge.gov.uk/Portals/0/Documents/Planning%20and%20building/Planning%20strategies%20and%20policies/Parish-Council-%28neighbourhood%29-plans/Godstone-Neighbourhood-Plan-area.pdf>

- 2.5 At the time of the 2011 Census the NA was home to 5,949 residents, formed into 2,386 households and occupying 2,490 dwellings. The 2021 Census indicates population growth of around 263 individuals (or 4.4%) since 2011², recording a total of 6,212 residents and 2,541 households. The number of households increased by 173 over the 10 year period. The average household size grew.
- 2.6 2021 Census data suggest that at this time there were 2,539 dwellings in the NA, an increase of 49 dwellings from the 2011 Census. This increase in the number of dwellings does not align with the population increase over the last decade and suggests that there may have been more unoccupied dwellings in 2011 compared to 2021.
- 2.7 Completions data provided by Tandridge District Council indicates that 32 affordable housing completions have taken place in Godstone NA since 2013/14. This includes 23 affordable rented units in Blindley Heath and 7 affordable rented units in Godstone. Additionally, 2 buybacks (ex-council stock purchased back for affordable housing) were completed in 2023/24.

The housing market area context

- 2.8 Whilst this Housing Needs Assessment (HNA) focuses on Godstone NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
- 2.9 In the case of Godstone, the NA sits within a housing market area which covers Elmbridge Borough Council, Epsom and Ewell Borough Council, Mole Valley District Council, Reigate and Banstead Borough Council, and Tandridge District Council.³ This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including London Borough of Croydon, London Borough of Bromley, Sevenoaks, Mid Sussex and Crawley.
- 2.10 At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Godstone NA, are closely linked to other areas. In the case of Godstone, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. For example, the expansion of the neighbouring parish Bletchingley is likely to have an impact on Godstone NA with a planning application submitted for 140 new homes at the land at the former Godstone Quarry.
- 2.11 In summary, Godstone NA functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Tandridge), 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

² 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.

³ Available at: https://www.reigate-banstead.gov.uk/downloads/file/6102/east_surrey_strategic_housing_market_assessment_final_report_2008

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

- 2.12 Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁴ In the case of Tandridge, the relevant adopted Local Plan consists of Tandridge District Core Strategy, which was adopted in October 2008. The Local Plan Part 2: Detailed Policies (adopted July 2014) should also be read in conjunction with the Core Strategy.
- 2.13 Consultation for Tandridge District Council's 'Our Local Plan: 2033' first began in late 2015 with the draft Plan published in July 2018. In January 2019, the Tandridge District Council submitted the Plan along with supporting documents to the Secretary of State for independent examination. A public inquiry was held in late 2019 with the Inspector's preliminary conclusions and advice published in December 2020. Communication has been on-going between the Inspector and Tandridge District Council since with a Procedural Meeting held on 27th July 2023 in which the Inspector followed up with a letter on 10th August 2023 deeming the Plan unsound. The Council are currently awaiting the Inspector's report which is to detail why the Plan is unsound and should not be adopted.
- 2.14 A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the emerging Local Plan, although it must be noted that as these are emerging policies, they are subject to change.
- Emerging Local Plan Policy TLP01 identifies an overall housing target of 6,506 homes to be delivered during the Plan period (2013-2033) per year for the district. A further 2,600 homes are to be delivered beyond the plan period through the development of South Godstone Garden Community. A total of 4,000 homes are to be delivered in Godstone Parish within this development (Policy SGCO1);
 - In Policy TLP07 Godstone is designated as a Semi-Rural Settlement in which a total of 533 homes are to be provided across the three villages designated as such. Within Policy TLP10, Blindley Heath and South Godstone are designated as Rural Settlements where there is to be a lesser focus for development, with it being at a smaller scale.
 - Policy TLP10 states that the most up to date Housing Strategy is to be used to identify the need for different types, sizes and tenures, including specialist types of housing for proposals.
 - Policy TLP12 states that there is a requirement of 40% affordable housing for developments in Semi-Rural Settlements and allocated housing sites with 10

⁴ 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>

dwellings or more, or on sites encompassing 0.25 ha or more. Urban settlements require 20% for developments with 15 dwellings or more, or on sites encompassing 0.5ha or more. Any other site excluding rural exception sites have a requirement of 40% affordable housing for developments with 5 dwellings or more.

- Policy TLP14 states that there will be a delivery of 25 extra care units through the allocation of appropriate sites.
- Policy HSG11 allocates 18 (C3) units at William Way Builders Merchant, 38-42 High Street, Godstone and 150 (C3) units at the Land to the West of Godstone.

Quantity of housing to provide

2.15 The NPPF 2023 (paragraphs 67 and 68) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

2.16 Tandridge has not fulfilled that requirement as Godstone Parish does not have a definitive housing requirement figure for the Plan period. However, a total figure of 533 homes is given for Semi-Rural Settlements of which Godstone is designated. Additionally, 4,000 homes are to be delivered in Godstone Parish from the South Godstone Garden Community development. A total of 1,400 of these homes are to be delivered within the Plan period and 2,600 homes are to be delivered beyond the Plan period.

3. Objectives and approach

Objectives

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

Affordability and Affordable Housing

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

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

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

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

Type and Size

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

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

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

- 3.7 In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

Specialist Housing for Older People

- 3.8 It may be appropriate for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons.
- 3.9 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. Its approach is as follows:
- To review the **current provision** of specialist housing in the NA;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 3.10 This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

Approach

- 3.11 This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:
- ONS population and household projections for future years;
 - Valuation Office Agency (VOA) data on the current stock of housing;
 - Land Registry data on prices paid for housing within the local market;
 - Rental prices from Rightmove;
 - Local Authority housing waiting list data;
 - Affordable Housing Needs Assessment, Updated Technical Paper for Tandridge District Council, SHMA, June 2018;⁵ and

⁵ Available at:

<https://www.tandridge.gov.uk/Portals/0/Documents/Planning%20and%20building/Planning%20strategies%20and%20policies/Local%20plan/Local%20plan%202033/Examination%20library/HNS/HNS11.pdf>

- Tandridge Housing Strategy 2019-2023.⁶

3.12 Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including parishes, will not be available until later in 2024, 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 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.

⁶ Available at:

<https://www.tandridge.gov.uk/Portals/0/Documents/Planning%20and%20building/Planning%20strategies%20and%20policies/Local%20plan/Local%20plan%202033/Examination%20library/HNS/HNS1.pdf>

4. Affordability and Affordable Housing

Introduction

- 4.1 Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.
- 4.2 This chapter has three aims, each given its own sub-section:
- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
 - To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
 - To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.
- 4.3 The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must conform with these policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

Definitions

- 4.4 This section uses a range of technical terms which are useful to define at the outset:
- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
 - **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
 - The definition of **Affordable Housing** is set out in the NPPF 2023 (Annex 2) as 'Housing for sale or rent, for those whose needs are not met by the market...' We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
 - A range of affordable home ownership opportunities are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring

to own a home. As part of this, the Government has introduced a new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.⁷

- **First Homes** is a new product and expected to be an important part of the strategy for improving access to home ownership. Its key features are explained in greater detail in Appendix C.

Current tenure profile

4.5 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.

4.6 Table 4-1 presents data on tenure in Godstone NA compared with Tandridge and England from the 2021 Census. It shows that in 2021, the NA and LA had a higher proportion of households that owned their own home than that at a national level. Across the geographies there was a very small proportion of households living in shared ownership dwellings in 2021. The NA and England both had a very similar proportion of households living in social rented dwellings at 17.7% and 17.1% respectively. In comparison to England, the NA and LA had a smaller private rented sector.

Table 4-1: Tenure (households) in Godstone NA, 2021

Tenure	Godstone NA	Tandridge	England
Owned	70.6%	74.5%	61.3%
Shared ownership	0.4%	1.2%	1.0%
Social rented	17.7%	11.1%	17.1%
Private rented	11.3%	13.3%	20.6%

Sources: Census 2021, AECOM Calculations

4.7 It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). Between 2011 and 2021 there was an increase in the number of households social renting and private renting, more notably private renting. There was a decrease in the number of households living in shared ownership in the NA at -31.3%, although it must be noted that this may appear high as there was a low number of households living in shared ownership in 2011.

Table 4-2: Tenure change (households) in Godstone NA, 2011-2021

Tenure	2011	2021	% change
Owned	1,714	1,791	+4.5%
Shared ownership	16	11	-31.3%
Social rented	401	449	+12.0%
Private rented	221	287	+29.9%

Sources: Census 2021 and 2011, AECOM Calculations

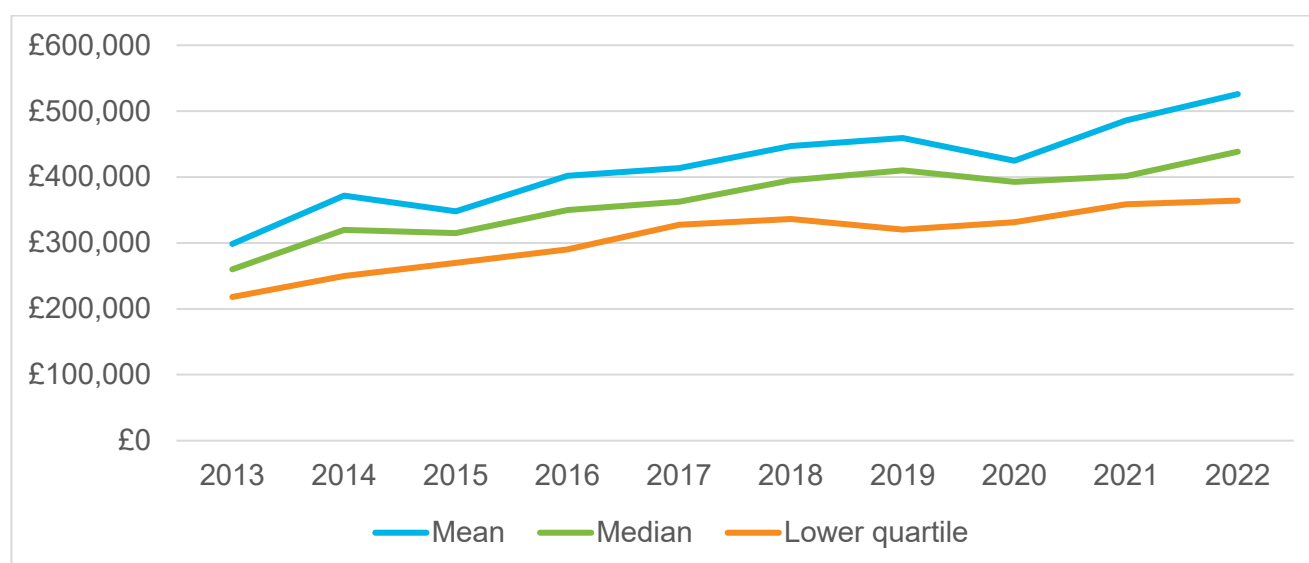
⁷ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

Affordability

House prices

- 4.8 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.
- 4.9 Figure 4-1 looks at the average and lower quartile house prices in Godstone NA based on sales price data published by the Land Registry. It shows that house prices fluctuated over the decade with peaks in 2014, 2019 and 2022. This is explained in part by the fact that small numbers of transactions can strongly affect average prices depending on what particular houses are traded in any particular year. In the NA, there were 1,005 transactions between 2013 and 2022, equating to an average of 100.5 transactions per year. The largest number of transactions happened in 2021 at 130 with the lowest number in 2019 at 75 transactions. Between 2013 and 2022, the median (the middle number when you sort the data from smallest to largest) house price increased significantly by 68.7% to £438,500 from £259,950. The lower quartile house price (the middle figure of the lowest 50% of prices and a good representation of entry-level housing) also increased significantly with a price growth of 67.1% to £364,250 from £218,000.
- 4.10 The 2022 median house price in Tandridge (£487,500) was approximately 10% greater than the median house price in Godstone NA in the same year. This suggests the NA house prices are slightly lower in value compared to the LA. There are also no significant differences between the different types and sizes of houses across the two geographies.

Figure 4-1: House prices by quartile in Godstone NA, 2013-2022



Source: Land Registry PPD

4.11 Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that the greatest growth between 2013 and 2022 was in detached house prices at a growth rate of 88.2% and peak of £800,000 in 2022. However, it must be noted that this was the only year in which house prices reached this high figure, with detached house prices remaining under £665,000 from 2013-2021. Detached house prices were also consistently the greatest price each year, therefore, making them the most expensive house type in the NA. Semi-detached houses and terraced houses also had a significant growth rate of 80.2% and 72.3% respectively. Flats had the smallest growth rate of 51.8%, with house prices ranging from £170,000 to £280,000 from 2013-2022. It is also clear that there is some year-on-year fluctuation in prices within all the categories of house type. This is likely because the annual average by type is derived from a smaller sample size within each category meaning that variation in characteristics outside of the dwelling type, such as the size, location, and condition of the property, have an even greater impact on the average.

Table 4-3: Median house prices by type in Godstone NA, 2013-2022

Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Growth
Detached	£425,000	£475,000	£497,500	£538,000	£550,000	£550,000	£582,500	£575,000	£665,000	£800,000	88.2%
Semi-detached	£252,500	£310,000	£332,500	£345,000	£375,000	£389,973	£375,000	£397,500	£388,250	£455,000	80.2%
Terraced	£235,000	£250,000	£296,500	£340,000	£329,975	£348,750	£292,5000	£361,250	£380,530	£405,000	72.3%
Flats	£170,000	£205,000	£196,000	£260,000	£257,500	£250,000	£234,000	£280,000	£247,500	£258,000	51.8%
All Types	£259,950	£320,000	£315,000	£350,000	£362,500	£395,000	£410,000	£392,500	£401,250	£438,500	68.7%

Source: Land Registry PPD

Income

4.12 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.

4.13 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 £52,800 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.

4.14 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. Tandridge's gross individual lower quartile annual earnings were £20,137 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £40,274.

4.15 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

4.16 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.

4.17 AECOM has determined thresholds for the income required in Godstone NA 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 C.

4.18 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. This is discussed in more detail at the start of Appendix C.

4.19 Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

Table 4-4: Affordability thresholds in Godstone NA (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £52,800	Affordable on LQ earnings (single earner)? £20,137	Affordable on LQ earnings (2 earners)? £40,274
Market Housing						
Median House Price	£394,650	-	£112,757	No	No	No
Estimated NA New Build Entry-Level House Price	£324,463		£92,704	No	No	No
LQ/Entry-level House Price	£327,825	-	£93,664	No	No	No
LA New Build Median House Price	£434,250	-	£124,071	No	No	No
Average Market Rent	-	£25,200	£84,000	No	No	No
Entry-level Market Rent	-	£21,300	£71,000	No	No	No
Affordable Home Ownership						

First Homes (-30%)	£227,124	-	£64,893	No	No	No
First Homes (-40%)	£194,678	-	£55,622	No	No	No
First Homes (-50%)	£162,231	-	£46,352	Yes	No	No
Shared Ownership (50%)	£162,231	£4,506	£61,373	No	No	No
Shared Ownership (25%)	£81,116	£6,760	£45,708	Yes	No	No
Shared Ownership (10%)	£32,446	£8,112	£36,309	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£9,304	£30,984	Yes	No	Yes
Social Rent	-	£6,845	£22,795	Yes	No	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

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

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

Affordable home ownership

4.23 There is a relatively large group of households in Godstone NA who may be unable to afford to rent privately but may be able to afford home ownership at a discounted rate. This cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.

4.24 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.

- 4.25 This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. First Homes appear affordable to households on average incomes in Godstone NA if they are delivered at 50% discount. As discussed in Appendix C, a greater than 30% discount would be necessary to bring costs below the national caps set for this product, and also less likely to create viability challenges in the NA due to land values.
- 4.26 It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the Godstone Parish Council intend to set a higher First Homes discount level than that set at district level, further discussions with the LPA are advised.
- 4.27 Shared ownership appears to be more affordable than First Homes and is accessible to more groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.⁸ If this is delivered in the NA, it will make shared ownership easier to access for more households, including those with two lower quartile earners. 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.
- 4.28 Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership to more households. However, discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, comparable to First Homes and Shared Ownership. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.
- 4.29 These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:

⁸ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

- 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.

Affordable rented housing

- 4.30 Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market levels. This appears to be the case in Godstone NA.
- 4.31 Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average income households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures on the basis of their earnings. Many such households and individuals will require additional subsidy through Housing Benefit to access housing.
- 4.32 The evidence in this chapter suggests that the affordable rented sector performs a vital function in Godstone NA 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.

Estimates of the need for Affordable Housing

4.33 This section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

AECOM Estimates

4.34 AECOM estimates the need for 4.3 affordable rented homes per annum in Godstone NA, equating to a total of 39 (38.4) over the plan period. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5 below. This need is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.

Table 4-5: Estimate of need for Affordable Housing for rent in Godstone NA

Component of need or supply in the AECOM estimate	Per annum
Current need	14.1
Newly arising need	3.6
Supply	13.5
Net shortfall	4.3

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

4.35 AECOM estimate potential demand for 15 (14.8) affordable home ownership dwellings per annum in Godstone, equating to a total of 134 (133.5) over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6 below.

4.36 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.

Table 4-6: Estimate of need for Affordable Housing for sale in Godstone NA

Component of need or supply in the AECOM estimate	Per annum
Current need	14.9
Newly arising need	0.5
Supply	0.6
Net shortfall	14.8

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

Evidence in the SHMA

- 4.37 A SHMA was undertaken for Tandridge District Council by Turley Associates in 2015, comprising a suite of technical papers. An Affordable Housing Needs Assessment update was then completed in 2018 for Tandridge District Council. 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.
- 4.38 The 2018 SHMA update identifies the need for 391 affordable homes per annum over a five year period of 2018-2023 in Tandridge as a whole. This is to clear both the existing backlog and meet new need arising during the period. Once the backlog is cleared, it is estimated that 310 affordable homes will be needed across Tandridge each year. Within the SHMA a breakdown in terms of affordable rented homes and affordable home ownership has not been given. However, within the Tandridge Housing Strategy 2019-2033, a housing split of 75% affordable rent and 25% affordable home ownership is given. This is a policy decision rather than a split that is based on evidence of the need for different forms of affordable housing in the SHMA.
- 4.39 The 2018 SHMA update breaks down affordable housing need figures per Parish. A total of 25 affordable homes per annum have been identified as needed in Godstone Parish. This equates to 225 homes over the Neighbourhood Plan period (2024-2033). Assuming the Housing Strategy's indication of 75% affordable rent and 25% affordable housing in the LA, this would approximately equate to 169 affordable homes for rent and 56 affordable homes for sale.
- 4.40 However, pro-rating district/borough level estimates of affordable housing need to rural areas presents problems in practice. The Local Authority level figures are likely to represent higher needs in urban areas where there is a large social housing stock and larger numbers of households living in private rented homes on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural parishes like Godstone the lack of social housing means there is more limited need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is difficult to identify need for social/affordable rented housing within Godstone NA and hence why local authority estimates can reasonably be pro rated to the parish level to provide an indication.

Additional evidence of Affordable Housing needs

- 4.41 The Department for Levelling Up, Housing and Communities Local Authority Housing Statistics⁹ indicates that a total of 1,788 households were on the Housing Waiting List in Tandridge in 2021-2022. Of these households, 45.7% required a 1-bedroom dwelling, 33.5% a 2-bedroom dwelling and 18.3% a 3-

⁹ Available at: <https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2021-to-2022>

bedroom dwelling. Only 2.5% of households required a dwelling with more than 3-bedrooms. Whilst this may provide an indication of the scale of need for different sized dwellings, in practice the pattern of lettings within the existing stock will also determine the pressure on different sized homes. Larger homes tend to become available for relet less frequently and so families needing these properties may wait for longer to be housed.

Affordable Housing policies in Neighbourhood Plans

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

Application of Local Plan policies

4.43 Tandridge's annual monitoring¹⁰ shows that in 2021-2022, 20% of housing delivered was Affordable Housing across Tandridge. It is not known whether this level is delivered on sites in the NA.

4.44 The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

4.45 How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – within Tandridge's Housing Strategy 2019-2023, this is suggested to be 75% affordable/ social rent and 25% shared ownership.

Affordable Housing at Neighbourhood level

4.46 The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Godstone on the basis of identified housing need and a range of other considerations detailed in Appendix D.

4.47 The model suggests that there may be greater need for affordable home ownership in Godstone NA compared to social/affordable homes to rent. However, it must be noted that Affordable Housing for rent expresses the need of a group with acute needs and no alternative options. On the other hand, Affordable Housing for ownership expresses potential demand for a group who are generally adequately housed in rented accommodation and may not be able

¹⁰ Available at: <https://www.tandridge.gov.uk/Planning-and-building/Planning-strategies-and-policies/Monitoring-and-land-supply>

to afford the deposit to transition to ownership. Taking this and AECOM's estimates into consideration, it may be appropriate to deviate from Tandridge's Housing Strategy guideline mix of 75% rented to 25% ownership. For example, AECOM suggest a tenure split of 70% housing for rent and 30% home ownership would still allow Affordable Housing for rent to be prioritised but would also allow the needs of those in the NA who require Affordable Housing for ownership to be met. This mix also complies with the various minimum requirements mandated nationally.

4.48 In line with national policy, it is suggested that 25% of Affordable Housing is delivered as First Homes. Ideally, these should be delivered at 50% discount, making the product accessible to households on average incomes. In the interests of diversity and maximizing choice, a further 5% is allocated to shared ownership rather than more First Homes. Rent to Buy does not feature in the recommended mix as it was considered the least affordable tenure locally. However, the group may consider that this product provides a useful alternative for households whose main barrier to ownership is securing an appropriate deposit.

4.49 Where the Godstone Parish Council 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 Tandridge to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

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

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	30%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	5%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	0%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	70%	

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 tenure profile

4.50 In 2021, the NA and LA had a higher proportion of households that owned their own home than that at national levels. Across the geographies there was a very small proportion of households living in shared ownership dwellings in 2021. The NA and England both had a very similar proportion of households living in social rented dwellings. In comparison to England, the NA and LA had a smaller private rented sector.

Affordability

4.51 Between 2013 and 2022 house prices have increased but also fluctuated, with peaks in 2014, 2019 and 2022. Over the decade, the median house prices increased by 68.7% to £438,500. The lower quartile house price increased similarly by 67.1% to £364,250. The median house price in the LA (£487,500) was approximately only 10% greater than the median house price in Godstone NA in the same year.

4.52 Local households on average incomes of £52,800 per year are unable to access even entry-level homes unless they have an advantage of a very large deposit. Private renting is generally only affordable to households who are higher earners. Households made up of one and two lower quartile earners cannot afford the given rental thresholds.

4.53 Turning to affordable home ownership, First Homes in Godstone NA appear affordable to households on average incomes if they are delivered at 50% discount. Increasing the discount level does not make the product affordable to further groups. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Rent to Buy may therefore offer a useful product to meet the needs of some households with little or no savings for a deposit.

4.54 Affordable housing is generally affordable to households with two lower earners. If individuals are unable to secure an affordable or social rented dwelling, they may require additional subsidy through Housing Benefit / Universal Credit to access housing.

The need for Affordable Housing

4.55 AECOM estimates the need for 4.3 affordable rented homes per annum in the NA, equating to a total of 39 (38.4) over the plan period. This need is largely for social/ affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.

4.56 AECOM also estimate the potential demand for 15 (14.8) affordable home ownership per annum in the NA, equating to a total of 134 (133.5) over the plan period.

Affordable Housing policy

4.57 AECOM suggest an indicative mix for Affordable Housing, balancing factors, including the greater demand for affordable home ownership then need for social/ affordable rent and the current backlog of need on the Housing Register. In this circumstance it is suggested that Affordable Housing in Godstone NA might be delivered at 70% housing for rent and 30% home ownership.

In line with national policy, it is suggested that 25% of Affordable Housing is delivered as First Homes, at a 50% discount in the NA. A further 5% is allocated to shared ownership rather than more First Homes. Rent to Buy does not feature in the recommended mix as it was considered the least affordable tenure locally.

4.58 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 neighbourhood development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

5. Type and Size

Introduction

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

Definitions

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

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

The current housing mix

5.6 This section establishes the current housing mix of Godstone NA, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

5.7 Table 5-1 below shows that between 2011 and 2021 there was a slight change in the dwelling type mix in Godstone NA. In both years the greatest proportion of households lived in semi-detached dwellings at 34.1% (2011) and 34.5% (2021), followed by detached dwellings at 27.4% (2011) and 26% (2021). Fewer households lived in flats at 17.3% in (2011) and 18.1% (2021).

5.8 Unfortunately, Census data does not count bungalows as a separate category, instead including this dwelling type within other categories (mainly detached and semi-detached). Valuation Office Agency (VOA) data counts bungalows as a separate category, although at a slightly larger scale than the NA. In 2022, 8.7% of the dwellings within the NA were bungalows, which was close to the proportion across the LA (9.7%) and England (9.2%). These are likely to account for a significant number of the detached and semi-detached dwellings noted in Table 5-1.

Table 5-1: Accommodation type, Godstone NA, 2011-2021

Type	2011	%	2021	%
Detached	683	27.4%	660	26.0%
Semi-detached	849	34.1%	877	34.5%
Terrace	524	21.0%	542	21.3%
Flat	430	17.3%	459	18.1%

Total	2,490		2,539	
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Source: ONS 2021 and 2011, VOA 2021, AECOM Calculations

5.9 Table 5-2 compares the NA mix to wider benchmarks. It shows Godstone NA had a slightly greater proportion of households living in semi-detached dwellings than Tandridge and England. The NA also had a slightly greater proportion of households living in detached dwellings than England, but a lower proportion compared to the LA. As noted above, it is likely that many of these are bungalows. The NA and England had a similar proportion of households living in terraced housing, which was higher in comparison to the LA. The lowest proportion of households in the NA lived in flats although the proportion is not substantially lower than the LA and England as whole which is less usual for an area that is comprised of rural villages.

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

Type	Godstone NA	Tandridge	England
Detached	26.0%	35.6%	22.9%
Semi-detached	34.5%	27.8%	31.5%
Terrace	21.3%	13.6%	23.0%
Flat	18.1%	22.1%	22.2%

Source: Census 2021, AECOM Calculations

Dwelling size

5.10 Table 5-3 below presents the current housing mix in terms of size. It shows that between 2011 and 2021, around 40% of households lived in mid-sized 3-bedroom dwellings. Just over a quarter of households lived in 2-bedroom dwellings. Notably, a small proportion of dwellings lived in 1-bedroom dwellings in 2011 (9.7%) and 2021 (10.1%).

Table 5-3: Dwelling size (bedrooms), Godstone NA, 2011-2021

Number of bedrooms	2011	%	2021	%
1	232	9.7%	256	10.1%
2	644	27.0%	660	26.0%
3	978	41.0%	1,016	40.0%
4+	530	22.2%	606	23.9%
Total	2,386	100.0%	2,538	100.0%

Source: ONS 2021 and 2011, AECOM Calculations

5.11 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 Godstone NA had the same proportion of households living in 3-bedroom dwellings as England at 40%. Across the geographies there was a similar proportion of households living in 1-bedroom and 2-bedroom dwellings, with the lowest proportion of households living in 1-bedroom dwellings.

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

Number of bedrooms	Godstone NA	Tandridge	England
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1	10.1%	9.6%	11.6%
2	26.0%	25.2%	27.3%
3	40.0%	33.4%	40.0%
4+	23.9%	31.9%	21.1%

Source: Census 2021, AECOM Calculations

Population characteristics

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

Age

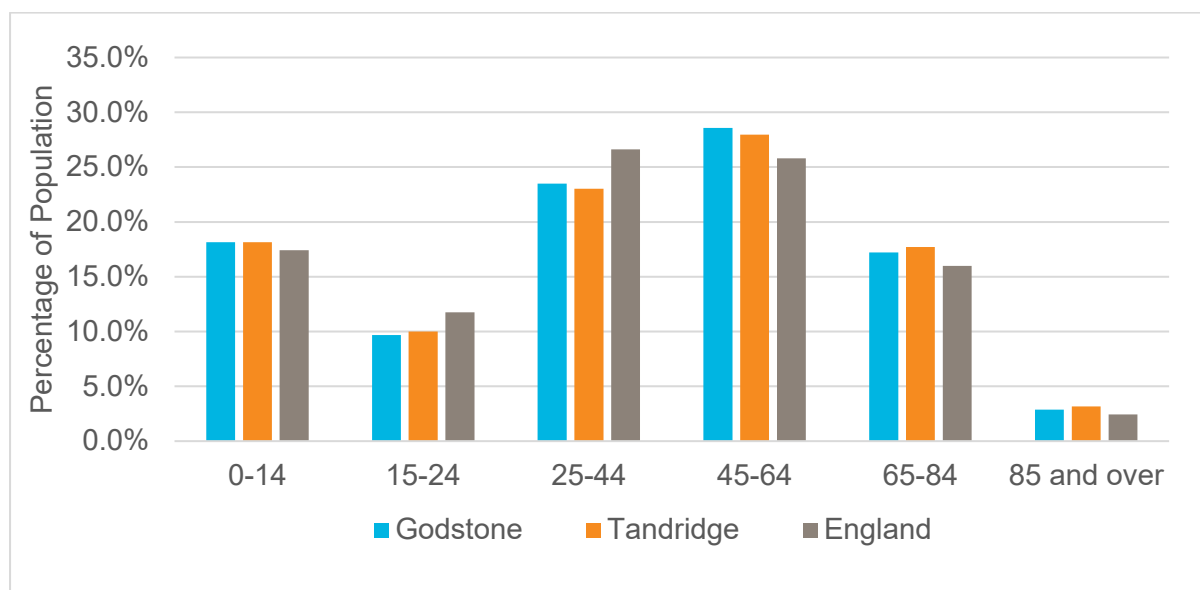
5.13 Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. It shows that between 2011 and 2021 the overall population of Godstone NA increased by 4.4%. In both years the greatest proportion of the population was aged 45-64, which also saw an increase of 8.5% to 2021. There were slight increases across all the age groups with the exception of the 0-14 age group which declined slightly. The number of people aged 85 and over seen the biggest increase at 10.5% over the decade. This, along with the decline in the youngest age group, highlights the ageing population in the NA.

Table 5-5: Age structure of Godstone NA, 2011 and 2021

Age group	2011 (Census)		2021 (Census)		Change
0-14	1,136	19.1%	1,127	18.1%	-0.8%
15-24	591	9.9%	601	9.7%	+1.7%
25-44	1,415	23.8%	1,460	23.5%	+3.2%
45-64	1,637	27.5%	1,776	28.6%	+8.5%
65-84	1,008	16.9%	1,069	17.2%	+6.1%
85 and over	162	2.7%	179	2.9%	+10.5%
Total	5,949	100.0%	6,212	100.0%	+4.4%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.14 For context, it is useful to look at the NA population structure alongside that of the district and country. Figure 5-1 (using 2021 Census data) shows that the NA and LA had the greatest proportion of the population aged 45 and over than England. The NA had a slightly smaller proportion of the population aged 0-24. The greatest difference between the NA and wider LA is the smaller proportion of younger working age people (aged 25-44) in Godstone NA.

Figure 5-1: Age structure in Godstone NA, 2021

Source: ONS 2021, AECOM Calculations

Household composition and occupancy

5.15 Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that the NA and LA had a slightly smaller proportion of one person households compared to national levels in 2021. However, the NA and LA had a slightly larger proportion of one family households compared to that nationally. It can also be seen from the table that in 2021, across the various geographies, there were similar proportions across the household composition groups with only slight differences.

5.16 Between 2011 and 2021 there was an increase in the number of older households in the NA. The number of single households aged 65/66¹¹ and over by 15.9% whilst the number of family households aged 65/66 and over increased by a significant 50.8%, further highlighting the ageing population. Family households with no children were the only group to decrease over the decade with this being at an 8% decline.

5.17 It is important to note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. It is interesting to observe that this category grew by 21.6% between 2011 and 2021 in the NA—a slightly faster rate than the district average.

Table 5-6: Household composition, Godstone NA, 2021

Household composition	NA	LA	England
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¹¹ The 2011 Census counts households aged 65 and over whilst the 2021 Census counts households aged 66 and over.

One person household	Total	27.4%	27.2%	30.1%
	Aged 66 and over	14.4%	14.0%	12.8%
	Other	13.1%	13.2%	17.3%
One family only	Total	66.5%	67.4%	63.1%
	All aged 66 and over	14.4%	11.2%	9.2%
	With no children	16.7%	16.3%	16.8%
	With dependent children	28.2%	28.4%	25.8%
	With non-dependent children ¹²	11.1%	11.0%	10.5%
Other household types	Total	6.0%	5.3%	6.9%

Source: ONS 2021, AECOM Calculations

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

5.19 Under-occupancy is relatively common in the NA with 70.2% of households living in a dwelling with 1 or 2 extra bedrooms compared to their household size. This is most common in families aged 66+ (96.5% under-occupancy), families under 66 with no children (89% under-occupancy) and single people aged 66+ (80% under-occupancy). While not uncommon, this might suggest that the larger housing is not necessarily being occupied by households with the most family members, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties.

5.20 A small number but significant proportion of families with dependent children are living in overcrowded homes (6.6% of this group) as indicated by an occupancy rating of -1 in Table 5-7. This provides a further indicator of acute need amongst some households in the NA.

Table 5-7: Occupancy rating by age in Godstone NA, 2021

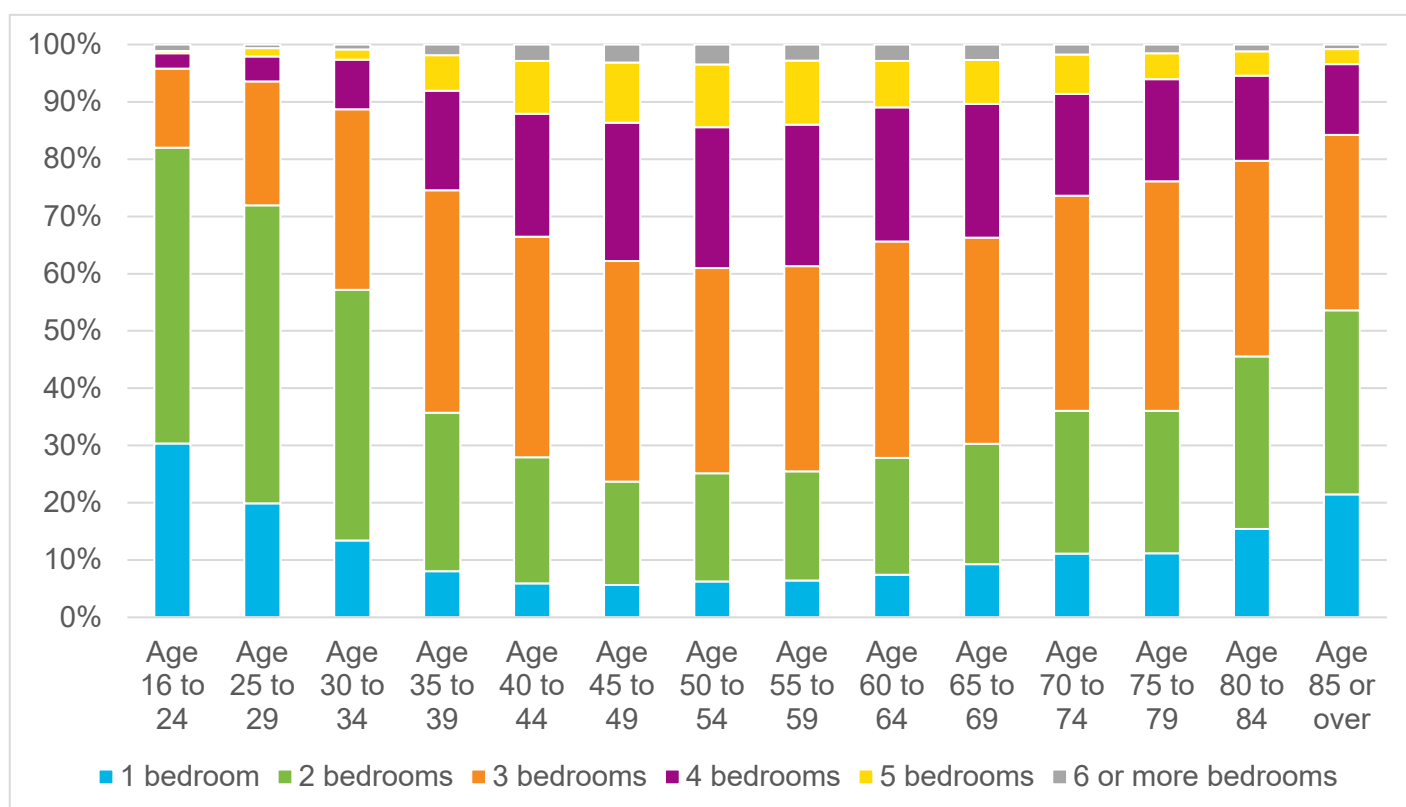
Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	75.0%	21.5%	3.5%	0.0%
Single person 66+	47.4%	32.6%	20.0%	0.0%
Family under 66 - no children	65.4%	24.1%	10.5%	0.0%
Family under 66 - dependent children	19.4%	35.2%	38.8%	6.6%
Family under 66 - adult children	24.8%	40.4%	31.2%	3.5%
Single person under 66	29.5%	33.7%	36.7%	0.0%
All households	39.1%	31.1%	26.7%	3.1%

¹² Refers to households containing children who are older than 18 e.g students or young working people living at home.

Source: ONS 2021, AECOM Calculations

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

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



Source: ONS 2011, AECOM Calculations

Future population and size needs

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

Age

5.23 The result of applying Local Authority level household projections to the age profile of Godstone NA households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households, with a household reference person aged 65 and over projected to significantly increase by 49% between 2011 and 2033. This would mean that households with a household reference person aged 65 and over would account for 38.6% of the population in 2033 compared to 29.9% in 2011. In contrast, ages

25 to 54 are projected to slightly decline by 2% and 3%. Ages 24 and under as well as ages 55 to 64 are projected to expand at a slow rate.

Table 5-8: Projected age of households, Godstone NA, 2011 - 2033

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	32	245	969	427	713
2033	34	241	945	463	1,060
% change 2011-2033	7%	-2%	-3%	8%	49%

Source: AECOM Calculations

5.24 The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-8 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

5.25 This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.

5.26 The result of this exercise is presented in Table 5-9. It suggests that by the end of the Plan period there should be substantial provision of 4-bedroom and larger dwellings but also continued provision of smaller dwellings. Notably, 3-bedroom dwellings appear to be present in sufficient number in the NA resulting in little need for more. However, it is unlikely to be appropriate to prohibit the delivery of any particular dwelling size.

Table 5-9: Suggested dwelling size mix to 2033, Godstone NA

Number of bedrooms	Current mix (2011)	Suggested mix (2033)	Balance of new housing to reach suggested mix
1	9.7%	10.2%	13.0%
2	27.0%	25.4%	14.5%
3	41.0%	35.8%	0.9%
4	15.3%	19.3%	45.8%
5+	6.9%	9.4%	25.8%

Source: AECOM Calculations

5.27 The following points sense-check the results of the model against other evidence and suggest ways to interpret them when thinking about policy options.

- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.
- Continuing to provide smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether large numbers of 1 bedroom homes are suitable given the area's character, current density and need for homes with more bedrooms.
- It is also worth noting that the SHMA (2018) indicates that between 2013-2033, it is implied that there would be a greater need for 3-bedroom dwellings at 35% compared to other dwelling sizes. This is then followed by 4+ bedroom dwellings at 29% and 2-bedroom dwellings at 26%. There would only be a need for 10% 1-bedroom dwellings during this period. In contrast, AECOM's modelling finds that there may be a greater need for 4+ bedroom dwellings. It is important to note that whilst modelling in isolation at the NA level may show the need for particular dwelling sizes to provide greater choice locally, there may be strategic reasons to provide a different mix, for example to meet wider needs and offer wider choice at the LA or housing market area scale.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if the existing stock of larger homes is sufficiently affordable. However, if they are not sufficiently affordable then it may be appropriate to continue to deliver some larger dwellings in the NA (e.g. larger Affordable Housing or more affordable dwelling types such as terraces rather than detached dwellings).

Tenure

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

5.29 Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is

because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.

- 5.30 There is one key source of information for thinking through the size needs of different categories. This is the waiting list for affordable rented housing, kept by the Tandridge District Council, provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. Currently, 45.7% of households on the Housing Register in Tandridge are in need of a 1-bedroom dwelling, 33.5% are in need of a 2-bedroom dwelling and 18.3% are in need of a 3-bedroom dwelling. Only 2.5% of households are in need of a dwelling with more than 3 bedrooms.
- 5.31 To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes while market homes focus on mid-sized homes and some larger options. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

- 5.32 Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.
- 5.33 The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
- 5.34 The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Godstone NA, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to

deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.

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

Conclusions- Type and Size

The current housing mix

- 5.36 Between 2011 and 2021 there was a slight change in the dwelling type mix. In both years the greatest proportion of households in the NA lived in semi-detached dwellings at 34.1% in 2011 and 34.5% in 2021. This was closely followed by detached dwellings at 27.4% in 2011 and 26% in 2021. Notably, fewer households lived in flats which 17.3% in 2011 and 18.1% in 2021. VOA data shows that in 2022, 8.7% of the dwellings in Godstone NA were bungalows, which was close to the proportion across the LA (9.7%) and England (9.2%). These are likely to account for a significant number of the detached and semi-detached dwellings noted in the Census.
- 5.37 The housing mix in terms of size also changed very little over the decade. In both 2011 and 2021 around 40% of households lived in mid-sized 3-bedroom dwellings. Just over a quarter of households lived in 2-bedroom dwellings during this time. Notably, a small proportion of households lived in 1-bedroom dwellings in 2011 (9.7%) and 2021 (10.1%).
- 5.38 Godstone NA and England had the same proportion of households living in 3-bedroom dwellings in 2021. Across the various geographies there was a similar proportion of households living in 1-bedroom and 2-bedroom dwellings, with the least proportion of households living in 1-bedroom dwellings.

Population characteristics

- 5.39 Between 2011 and 2021 the overall population in Godstone NA increased by 4.4%. The greatest proportion of people were aged 45-64 in both years. The age group 0-14 was the only group to decline over the decade. The number of people aged 85 and over seen the biggest increase at 10.5%. This data highlights the ageing population in the NA.
- 5.40 The NA and LA had a slightly smaller proportion of one person households compared to nationally in 2021. However, the NA and LA had a slightly larger proportion of one family households compared to national levels. Across the various geographies there were similar proportions across the household composition groups with only slight differences.
- 5.41 Under-occupancy is relatively common in the NA with 70.2% of households living in a dwelling with 1 or 2 extra bedrooms compared to their household size. This

is most common in families aged 66+, families under 66 with no children and single people aged 66+. This suggests that larger housing in the NA may be occupied by households with the most wealth rather than the largest families.

Future population and size needs

- 5.42 Population growth can be expected to be driven by the oldest households, with households with a household reference person aged 65 and over projected to significantly increase by 49% between 2011 and 2033. This would mean that households with a household reference person aged 65 and over would account for 38.6% of the population in 2033 compared to 29.9% in 2011. In contrast, ages 25 to 54 are projected to slightly decline by 2% and 3%. Ages 24 and under as well as ages 55 to 64 are projected to expand at a slow rate.
- 5.43 AECOM modelling suggest that by the end of the Plan period there should be substantial provision of 4-bedroom and larger dwellings but also continued provision of smaller dwellings. Within the NA, 3-bedroom dwellings appear to be present in sufficient number which results in little need for more. However, it is unlikely to be appropriate to prohibit the delivery of any particular dwelling size. The SHMA on the other hand found that there would be a greater need for 3-bedroom dwellings compared to other dwelling sizes. It must be noted that whilst modelling in isolation at the NA level may show the need for particular dwelling sizes to provide greater choice locally, there may be strategic reasons to provide a different mix, for example, to meet wider needs and offer wider choice at the LA or housing market scale.

6. Specialist housing for older people

Introduction

6.1 It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Godstone NA. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

6.2 Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.

6.3 It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.¹³

6.4 This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁴ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

6.5 The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in

¹³ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁴ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing¹⁵:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

Specialist housing for older people

6.6 There is a total of 24 units of specialist accommodation in the NA at present, these being social flats for retirement housing. Additionally, there are two Care Homes in the NA, providing 51 bedspaces in one and 57 in the other. Details are provided in Appendix E.

6.7 The 2021 Census indicates that at this time there were 612 individuals aged 75 or over in Godstone NA.

¹⁵ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

- 6.8 Current provision of specialist housing in the NA is 15 (rounded) units per 1,000 of the 75+ population (a common measure of specialist housing supply). It is relevant to note that the national average for England is 136 units per 1,000 of the 75+ population¹⁶, so provision in the NA is below the national average.

Demographic characteristics

- 6.9 The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Godstone NA is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Tandridge. The results are set out in Table 6-1. This table shows that between 2021 and 2033, the number of people aged 75+ in the NA is projected to increase from 612 to 813. Individuals aged 75+ would then account for 12.5% of the NA's population in 2033, similar to the LA's rate of 12.9%.
- 6.10 A key assumption for the estimate given at the end of this section 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). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

Table 6-1: Modelled projection of older population in Godstone NA by end of Plan period

Age group	2021		2033	
	Godstone NA	Tandridge	Godstone NA	Tandridge
All ages	6,212	87,877	6,512	92,128
75+	612	8,972	813	11,917
%	9.9%	10.2%	12.5%	12.9%

Source: ONS SNPP 2020, AECOM Calculations

- 6.11 The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
- 6.12 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 2033. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the majority of households in this age

¹⁶ Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now DLUHC) and the Care Services Improvement Partnership

group owned their own home at 84%. The remaining 16% rented, with most of these renters being social renters at 9.8% followed by private renters at 5%. Only 1.3% lived rent free.

- 6.13 The expected growth in the 75+ population in the NA is 201 additional individuals by the end of the plan period. This can be converted into 113 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Godstone NA households are likely to need in 2033 and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in Tandridge (2011) and projected aged 75+ in Godstone NA (2033)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
Tandridge (2011 mix)	84%	56.6%	27.3%	16.0%	9.8%	5.0%	1.3%
Godstone NA (2033)	95	64	31	18	11	6	1

Source: Census 2011

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

Future needs for specialist accommodation and adaptations

- 6.15 Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be 48.
- 6.16 AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

6.17 It is useful to consider the breakdown in tenure and level of care of specialist housing for older people. Table 6-3 shows that there is a much greater need for market accommodation (77.1%) than affordable (22.9%) in the NA. There is a greater need for sheltered housing at 58.3% compared to housing with care at 41.7%. The greatest sub-category is a combination of these two dominant categories: market sheltered housing at 82.1% of the total need. However, it must be noted that some of these needs could be met through home adaptations or through ensuring that all future housing is adaptable and accessible.

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

Type	Affordable	Market	Total (rounded)
Housing with care	6 (30.0%)	14 (70.0%)	20 (41.7%)
Adaptations, sheltered, or retirement living	5 (17.9%)	23 (82.1%)	28 (58.3%)
Total	11 (22.9%)	37 (77.1%)	48

Source: Census 2011, AECOM Calculations

6.18 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 E-3 in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Godstone NA results in a total of 50 specialist dwellings that might be required to the end of the Plan period. This is set out in Table 6-4.

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

Type	Affordable	Market	Total (rounded)
Housing with care	6.23 (42.9%)	8.04 (57.1%)	14 (28%)
Adaptations, sheltered, or retirement living	12 (33.3%)	24 (66.7%)	36 (72%)
Total	18 (36%)	32 (64%)	50

Source: Housing LIN, AECOM calculations

Further considerations

6.19 The above estimates suggest that potential need for specialist accommodation could be in the range of 48-50 units over the Neighbourhood Plan period.

However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

- 6.20 In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
- 6.21 Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
- 6.22 It is considered that the NA's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Godstone NA entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Godstone NA, Caterham is considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model).
- 6.23 It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

Care homes

- 6.24 Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
- 6.25 However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
- 6.26 Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own

home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.

- 6.27 AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. For nursing care beds this is an extra 45 care beds per 1,000 people aged 75+. Based on these rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2033 there would be a need for a further 13 residential care beds and 9 nursing care beds in the NA.
- 6.28 It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

The Role of Mainstream Housing

- 6.29 The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 80% of the Godstone NA population aged 75 and over is likely to live in the mainstream housing stock¹⁷.
- 6.30 It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
- 6.31 However, given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Tandridge.
- 6.32 It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings¹⁸, although changes to Building Regulations have not yet been made.

¹⁷ 612 over 75s in 2021, of which 24 are accommodated in specialist housing and a further 108 in care homes, leaving 480 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

¹⁸ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

6.33 The emerging Local Plan policy TLP14 provides explicit encouragement for development to accommodate specific groups such as older people. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here may justify the Godstone Parish Council approaching the LPA to discuss setting requirements on accessibility and adaptability at district level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

Conclusions- Specialist Housing for Older People

6.34 There are currently 24 units of specialist accommodation in the NA, these being social flats for retirement housing. Additionally, there are two Care Homes in the NA, providing a total of 108 bedspaces (51 in one and 57 in the other).

6.35 2021 Census data suggests that there were 612 individuals aged 75+ in the NA. This is projected to increase to 813 by the end of the Plan period, with the 75+ population accounting for 12.5% of the NA's population in 2033.

Specialist Housing for Older People

6.36 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.

6.37 These two methods of estimating the future need in Godstone NA produce a range of 48 to 50 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

6.38 There is a greater need for market accommodation over affordable in the NA, particularly market sheltered housing. Overall, in comparison to extra care housing, sheltered housing has a greater need across both affordable and market tenures. However, these needs could be met through home adaptations or through ensuring that all future housing is adaptable and accessible, especially given the NA's rural location which may not make it a suitable location of specialist schemes. A total of 25 extra care units are also to be provided through the emerging Local Plan, however, it is unlikely they will be provided in the NA.

6.39 It is important for specialist housing for older people to be provided in sustainable, accessible locations, with cost-effectiveness and economies of scale also important factors to consider. Therefore, it is considered that the nearby town of

Caterham would likely be a more appropriate location for specialist accommodation for older people.

Care Homes

6.40 Care home accommodation is defined as institutional accommodation rather than housing. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on this rate and the expected increase of 201 individuals aged 75+ between 2021 and 2033, it is estimated that in 2033 there would be a need for 13 additional residential care beds and 9 nursing care beds in the NA. Some of the need for care home beds might be met by independent housing accommodation and vice versa. In addition, some of this need could likely be met through the turnover in current care bed spaces.

Adaptable and Accessible Housing

6.41 Given that there is unlikely to be a large volume of additional specialist supply during the plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.

6.42 The emerging Local Plan policy TLP14 supports the development of additional specialist or extra care units. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here may justify the Godstone Parish Council approaching the LPA to discuss setting requirements on accessibility and adaptability at district level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

7. Next Steps

Recommendations for next steps

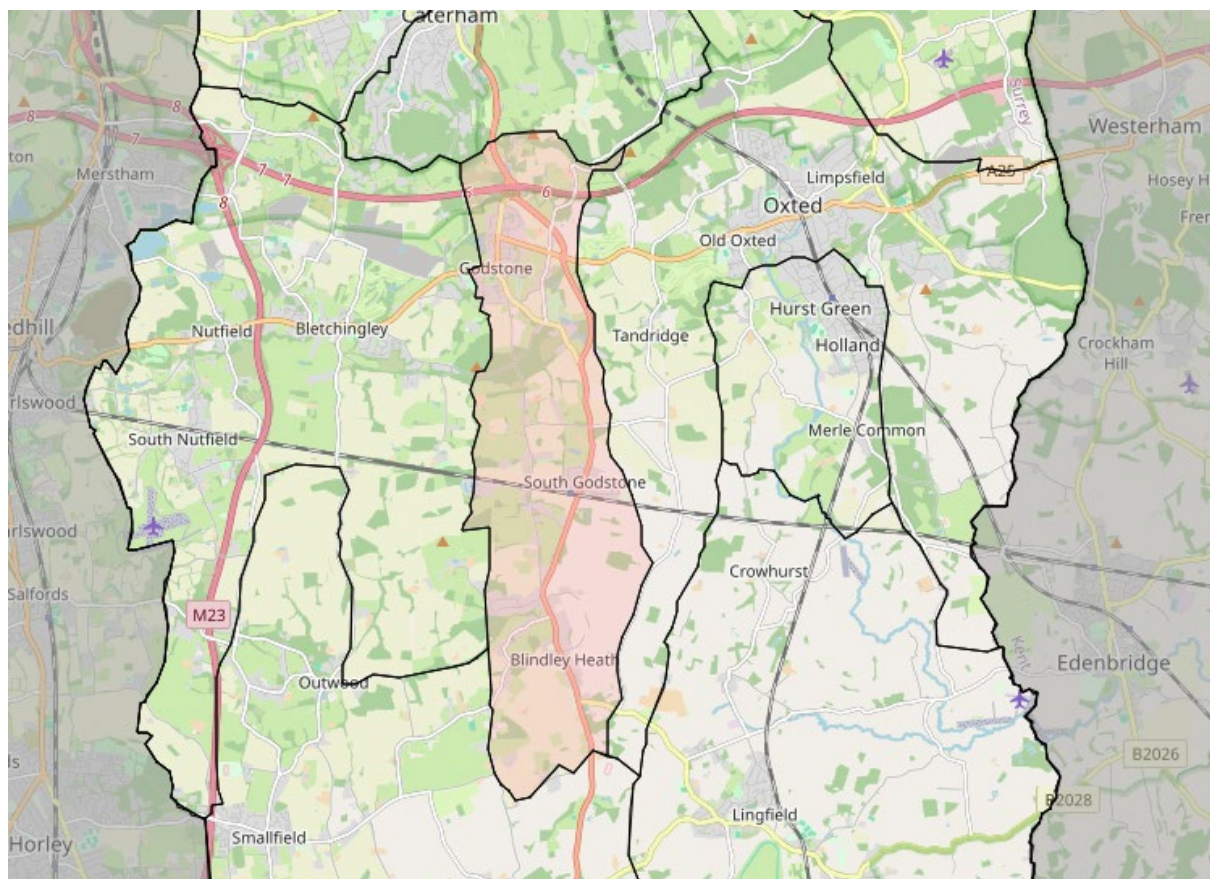
- 7.1 This Neighbourhood Plan housing needs assessment aims to provide Godstone Parish Council with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Tandridge 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 Tandridge;
 - 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 Tandridge.
- 7.2 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.
- 7.3 Bearing this in mind, it is recommended that the Godstone Parish Council should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Tandridge or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 7.4 At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Assessment geography

A.1 The NA followed the exact boundary of Godstone Civil Parish. To obtain the relevant census data, the following Mid-Layer Super Output Area (MSOA) was used;

- E02006436: Tandridge 009

Figure A-1: Map of MSOA



Source: Nomis

Appendix B : Local Plan context

Policies in the adopted local plan

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

Table B-1: Summary of relevant adopted policies in the Tandridge District Core Strategy 2008

Policy	Provisions
Policy CSP 2: Housing Provision	Provision will be made for a net increase of at least 2,500 dwellings in the period 2006 to 2026.
Policy CSP 3: Managing the Delivery of Housing	<p>In accordance with Policy CSP2 and in order to manage the delivery of housing, should the District's rolling five year housing supply figure be exceed by more than 20%, the Council will not permit the development of unidentified residential garden land sites of 5 units and above or larger than 0.2ha (or smaller sites where these form a part of a potentially larger development proposal).</p> <p>Similarly, where there is inadequate infrastructure or services to support a development, the Council will not permit the development of unidentified sites of 5 units and above or larger than 0.2ha.</p> <p>However, an exception will be made if it is demonstrated that the development would result in significant social, community or environmental benefit. The provision of affordable housing to meet the requirements of Policy CSP4 will not be considered as a "significant social or community benefit." However, if it is proposed that a site is to be developed where all the units are affordable; or where the proportion of affordable housing is significantly above the relevant percentage requirement then this may represent benefit, allowing an exception to be made.</p>
Policy CSP 4: Affordable Housing	<p>This is an interim holding policy pending the adoption of a substitute policy in an Affordable Housing DPD.</p> <p>The overall target for affordable housing will be 50 dwellings per year during the period 2007 to 2012.</p>

Policy**Provisions**

In order to maximise the supply of affordable housing the Council will require up to 34% of affordable dwellings on:

- sites within the built up areas of 15 units or more or sites of or greater than 0.5 hectare; and
- sites within the rural areas of 10 units or more.

Parishes and Settlements within which the Rural Thresholds apply (CSP4):

Parish	Settlements within the Parish
Bletchingley	Bletchingley
Burstow	Smallfield
Chelsham and Farleigh	
Crowhurst	
Dormansland	Dormansland; Dormans Park
Felbridge	Domewood; Felbridge
Godstone	Blindley Heath; Godstone; South Godstone
Horne	
Limpsfield (excluding the urban area)	Limpsfield Chart
Lingfield	Lingfield
Nutfield	Nutfield; South Nutfield
Outwood	
Tandridge	Tandridge
Tatsfield	Tatsfield
Titsey	

Affordable housing may be in the form of social rented or intermediate or a mix of both. The Council may require up to 75% of the affordable housing on a site to be social rented. The precise proportions will be agreed with the Council having regard to specific needs at the time and within the area.

**Policy CSP 5:
Rural
Exceptions**

Exceptionally, land adjoining or closely related to the defined rural settlements which would otherwise be considered inappropriate for development, may be developed in order to provide affordable housing in perpetuity provided that:

- the housing comprises 100% affordable housing;
- the housing is to meet local needs;
- the housing would be justified by a Parish or settlement housing needs survey;
- the development is small scale and respects the setting, form and character of the settlement and the surrounding landscape; and
- the development would accord with all relevant Development Plan Policies.

Policy Provisions

Settlements where Rural Exceptions sites may be released (CSP5):

Settlements	
Bletchingley	Lingfield
Blindley Heath	Nutfield
Domewood	Smallfield
Dormansland	South Godstone
Dormans Park	South Nutfield
Felbridge	Tandridge
Godstone	Tatsfield
Limpsfield Chart	

Policy CSP6: Rural Allocations The Council may, subject to there being an identified need, and subject to suitable sites being identified, allocate land within the defined rural settlements to provide affordable housing in perpetuity to meet local needs.

The allocation of land and the definition of individual rural settlements will be made through a site allocation Development Plan Document.

Policy CSP 7: Housing Balance All housing developments of 5 units and above are required to contain an appropriate mix of dwelling sizes in accordance with current identified needs for particular areas of the District, as set out in future Housing Need Surveys and Strategic Housing Market Assessments.

The provision of housing for the elderly and for people with special needs is encouraged where appropriate.

An undue concentration of any one type of dwelling in a location that would cause an imbalance and adversely affect the community is resisted.

Policy CSP 8: Extra Care Housing Up to 2016, 162 units of extra care housing is to be provided. Additional units in the 2017-2026 period will be provided following an updated assessment of need.

Policy CSP 19: Density The density of new development in rural areas (larger rural settlements/ green belt settlements/ countryside) is 30-40 dwellings per hectare, unless the design solution for such density would conflict with the local character and distinctiveness of an area where the lower density is more appropriate.

Source: Tandridge District Council

Policies in the emerging local plan

B.2 Table B-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Godstone NA.

Table 2-2: Summary of relevant emerging policies in Tandridge District Council's Our Local Plan: 2033 (Regulation 22 Submission) January 2019

Policy	Provisions
TLP01: Spatial Strategy	A total of 6,056 homes are to be provided in the Plan period to 2033. These will be of varying types, sizes and tenure and include much needed affordable homes.

For the longer term and beyond the Plan period, new homes will be delivered through the development of the South Godstone Garden Community.

Areas will be supported in preparing positive Neighbourhood Plans so that communities can take a leading role in shaping their settlements and identify development needs.

Source	Units
Existing Supply (permissions and completions)	2,334
New Urban Settlement Sites (Tier 1) (Excluding Town Centre Initiatives)	768
New Semi-Rural Service Settlement Sites (Tier 2)	533
South Godstone Garden Community	1,400*
Windfall	435
Town Centre Initiatives	250
Other supply (e.g. empty homes allowance)	336
Total Delivery target	6,056
*A further 2,600 homes will be delivered beyond the plan period (See Policy SGC01: South Godstone Garden Community).	

TLP07: Semi-Rural Service Settlements	Godstone, Lingfield and Smallfield make up Semi-Rural Settlements (Tier 2). A provision of 533 new homes within the settlement boundary of the Semi-Rural service centres is to be made, which includes a mix of types and tenures, including affordable housing.
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TLP08: Rural Settlements	Bletchingley, Blindley Heath, Dormansland, Felbridge, Old Oxted, South Godstone, South Nutfield, Tatsfield and Woldingham make up Rural Settlements (Tier 3).
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Rural Settlements are not a focus for development under the Spatial Strategy but are likely to have small scale development.

Policy	Provisions															
TLP10: Responsive Housing Strategy	<p>The most up-to-date Housing Strategy should be used to identify the need for different types, sizes and tenures, including specialist types of housing for proposals.</p> <p>Neighbourhood Plans should also assist in meeting the objectives of the Housing Strategy.</p>															
TLP12: Affordable Housing Requirement	<p>To ensure sufficient affordable homes are delivered over the Plan period, a proportion of affordable homes are to be provided on all sites in accordance with the table below.</p> <table><tr><th>Location/settlement type</th><th>Size</th><th>Affordable housing requirement</th></tr><tr><td>Urban Settlements (Tier 1)</td><td>15 dwellings and over, or 0.5ha or more</td><td>20%</td></tr><tr><td>Semi-Rural Service Settlements (Tier 2)</td><td>10 dwellings and over, or 0.25ha or more</td><td>40%</td></tr><tr><td>All allocated housing sites which have been released from the Green Belt*</td><td>10 dwellings and over, or 0.25ha or more</td><td>40%</td></tr><tr><td>Any site not in the above categories excluding rural exception sites</td><td>5 dwellings and over</td><td>40%</td></tr></table> <p>Tenure and size split is set out in the Council’s most up-to-date Housing Strategy.</p> <p>To meet the overall target for affordable housing, the delivery of South Godstone Garden Community plays an important factor.</p>	Location/settlement type	Size	Affordable housing requirement	Urban Settlements (Tier 1)	15 dwellings and over, or 0.5ha or more	20%	Semi-Rural Service Settlements (Tier 2)	10 dwellings and over, or 0.25ha or more	40%	All allocated housing sites which have been released from the Green Belt*	10 dwellings and over, or 0.25ha or more	40%	Any site not in the above categories excluding rural exception sites	5 dwellings and over	40%
Location/settlement type	Size	Affordable housing requirement														
Urban Settlements (Tier 1)	15 dwellings and over, or 0.5ha or more	20%														
Semi-Rural Service Settlements (Tier 2)	10 dwellings and over, or 0.25ha or more	40%														
All allocated housing sites which have been released from the Green Belt*	10 dwellings and over, or 0.25ha or more	40%														
Any site not in the above categories excluding rural exception sites	5 dwellings and over	40%														
TLP13: Rural Exception Sites	<p>Support will be given to Rural Exception Sites of no more than 20 units, on the edge of any settlement where there is a demonstrable local need as established in a robust and up to date Local Housing Needs Survey.</p> <p>On sites of more than 10 units, no more than 10% of the total number of units can be market housing.</p>															
TLP14: Specialist Need Housing and Extra Care	<p>The delivery of 25 extra care units will be delivered through the allocation of appropriate sites. Proposals contributing to the delivery of additional units of specialist or extra care accommodation are supported.</p>															
HSG10: Housing Allocations	<p>A total of 18 (C3) units have been allocated at William Way Builders Merchant, 38-42 High Street, Godstone.</p>															
HSG11: Housing Allocations	<p>A total of 150 (C3) units have been allocated at the Land to the West of Godstone.</p>															

Policy	Provisions
SGCO1: South Godstone Garden Community	The Garden Community development will deliver 4,000 environmentally sustainable new homes built and designed to respond to changing life needs. A mix of homes will be delivered to provide a choice of property to suit needs and budget, including both market and socially affordable properties.

Source: Tandridge District Council

Appendix C : Affordability calculations

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

Market housing

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

i) Market sales

- C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
- C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Godstone NA, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
- C.5 The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2022) = £438,500;
 - Purchase deposit at 10% of value = £43,850;
 - Value of dwelling for mortgage purposes = £394,650;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £112,757.

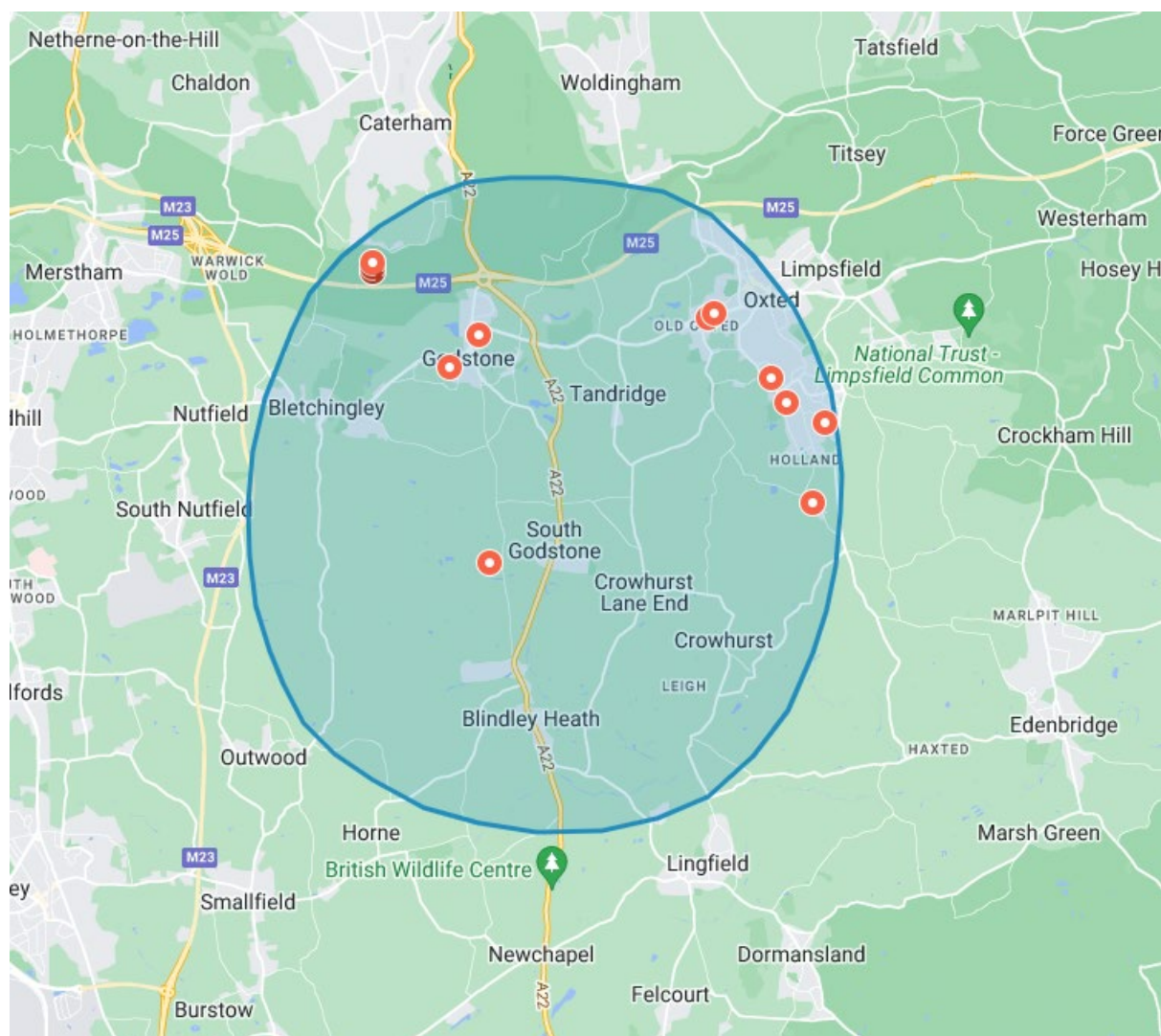
- C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2022 was £364,250, and the purchase threshold is therefore £93,664.
- C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry recorded no sales of new build properties in the NA in 2022. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).
- C.8 Therefore, an estimate has been calculated by determining the uplift between all house prices in 2022 across Tandridge and new build house prices in 2022 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2022 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £360,514 and purchase threshold of £92,704.
- C.9 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Tandridge in 2022. The median cost of new build dwellings in Tandridge was £482,500, with a purchase threshold of £12,4071.

i) Private Rented Sector (PRS)

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

- C.12 The property website [Rightmove.co.uk](https://www.rightmove.co.uk) shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the surrounding area of the NA (as shown in Figure C-1). Although, this covers a larger area than the Plan area itself it can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

Figure C-1: Map of Rental Properties within the Surrounding Area of the NA



- C.13 According to [Rightmove.co.uk](https://www.rightmove.co.uk), there were 11 properties for rent at the time of search in February 2024 with an average monthly rent of £2,100. There were 4 two-bed properties listed, with an average price of £1,775 per calendar month.
- C.14 The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £1,775 x 12 = £21,300;

- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £71,000.

C.15 The calculation is repeated for the overall average to give an income threshold of £84,000.

Affordable Housing

C.16 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2023: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The new First Homes has been introduced in 2021 but is not yet included in the NPPF. Each of the affordable housing tenures are considered below.

i) Social rent

C.17 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

C.18 To determine social rent levels, data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Godstone NA. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Tandridge in Table C-1.

C.19 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£114.19	£129.69	£144.38	£160.20	£131.64
Annual average	£5,938	£6,744	£7,508	£8,330	£6,845
Income needed	£19,773	£22,457	£25,001	£27,740	£22,795

Source: Homes England, AECOM Calculations

i) Affordable rent

- C.20 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).
- C.21 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 40-50% of market levels rather than 80%.
- C.22 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Tandridge. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.23 Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 40-50% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£141.95	£182.07	£213.96	£241.81	£178.93
Annual average	£7,381	£9,468	£11,126	£12,574	£9,304
Income needed	£24,580	£31,527	£37,049	£41,872	£30,984

Source: Homes England, AECOM Calculations

i) Affordable home ownership

- C.24 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.
- C.25 In paragraph 66 of the NPPF 2023, 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.” There are exemptions to this requirement, including where:
- The provision would exceed the level of affordable housing required in an area;

- The provision would significantly prejudice the ability to meet the identified affordable housing needs of specific groups;
- A proposed development provides solely Build to Rent homes;
- A proposed development provides specialist accommodation for a group of people with specific needs (such as purpose built accommodation for students or the elderly);
- The development is proposed to be developed by people who wish to build or commission their own homes; or
- The proposed development is exclusively for affordable housing, a community-led development exception site, or a rural exception site.

First Homes

C.26 Because First Homes are a new tenure product, it is worth explaining some of their key features:

- 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.

- C.27 The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £360,514.
- C.28 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) = £360,514;
 - Discounted by 30% = £252,360;
 - Purchase deposit at 10% of value = £25,236;
 - Value of dwelling for mortgage purposes = £227,124;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £64,893.
- C.29 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £55,622 and £46,352 respectively.
- C.30 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. Additionally, the 40% and 50% discounted prices are below the cap of £250,000 which means these prices meet the criteria. The discount price of 30% is however above the cap.
- C.31 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. m¹⁹) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Godstone NA.
- C.32 Table C-3 shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. 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 C-3: 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	53%	82%	64%
NA estimated new build entry-level house price	43%	78%	57%
NA entry-level house price	44%	79%	57%

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

LA median new build house price	57%	84%	68%
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Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

- C.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 rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
- C.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.
- C.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).
- C.36 The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £360,514 is £90,129;
 - A 10% deposit of £9,013 is deducted, leaving a mortgage value of £81,116;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £23,176;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £270,386;
 - The estimated annual rent at 2.5% of the unsold value is £6,760;
 - This requires an income of £22,532 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £45,708 (£23,176 plus £22,532).

- C.37 The same calculation is repeated for equity shares of 10%, 50% and 75%, producing affordability thresholds of £36,309, £61,373 and £77,038 respectively.
- C.38 The 10%, 25%, 50% and 75% equity shares are all below the £80,000 cap for eligible households.

Rent to Buy

- C.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)

- C.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.
- C.41 It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

D.1 In Table D-1 AECOM has calculated, using PPG as a starting point,²⁰ an estimate of the total need for affordable rented housing in Godstone NA over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence available. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.

Table D-1: Estimate of need for Affordable Housing for rent in Godstone NA

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	127.0	Latest waiting list data available from DLUHC Local authority housing statistics data return (households in priority need). Pro rata for the NA.
1.2 Per annum	14.1	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	124.9	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	26.1%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA.
2.2.1 Current number of social renters in NA	449.0	2021 Census social rented occupancy
2.2.2 Number of private renters on housing benefits	108.8	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	32.7	Step 2.1 x Step 2.2.
2.4 Per annum		Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	13.5	Step 3.1 x NA social rented stock (2.2.1).
NET SHORTFALL OF RENTED UNITS PER ANNUM		

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

Overall shortfall per annum	4.3	Step 1.2 + Step 2.4 - Step 3.2
Overall shortfall over the plan period	38.4	(Step 1.1 + 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. Figures may not sum due to rounding.

- D.2 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Godstone NA. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
- D.3 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.²¹ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

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

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	287.0	Census 2021 private rented occupancy.
1.2 Percentage renters on housing benefit in LA	37.9%	% of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in the NA	108.8	Step 1.1 x Step 1.2.
1.4 Current need (households)	133.7	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ²²
1.5 Per annum	14.9	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		

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

²² The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership 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.

2.1 New household formation	124.9	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	5.5%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	6.9	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	0.5	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	11.0	Number of shared ownership homes in the NA (Census 2021).
3.2 Supply - intermediate resales	0.6	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	14.8	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall over the plan period	133.5	(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.

- D.4 There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
- D.5 It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable housing policy

- D.6 The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

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

Consideration	Local Evidence
<p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally</p>	<p>This HNA suggests that the NA requires around 39 units of affordable rented housing and 134 units of affordable home ownership homes over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p>

adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.	The relationship between these figures suggests that there is a greater demand for affordable home ownership.
<p>B. Can Affordable Housing needs be met in full?</p> <p>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.</p>	<p>The emerging Local Plan aims to deliver 40% affordable dwellings for both developments in Semi-Rural Settlements and allocated housing sites with 10 dwellings or more, or on sites encompassing 0.25 ha or more. Urban settlements will deliver 20% affordable dwellings for developments with 15 dwellings or more, or on sites encompassing 0.5ha or more. Any other site excluding rural exception sites have a requirement of 40% affordable housing for developments with 5 dwellings or more.</p> <p>However, as the NA has not been allocated a specific housing figure, the level of potential affordable housing would not be sufficient to meet all of the need identified. Therefore, some form of prioritization will be required. It is recommended that affordable home ownership should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority.</p>
<p>C. Government policy (eg NPPF) requirements:</p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	For 10% of all housing to be affordable ownership in Godstone NA, where 40% of all housing should be affordable, 25% of Affordable Housing should be for affordable ownership. This complies with the guideline tenure split sought in the Local Plan.
D. Local Plan policy:	The emerging Local Plan seeks a tenure split of 75% affordable rent and 25% affordable home ownership.
<p>E. First Homes policy:</p> <p>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</p>	This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This may not be an issue with Godstone NA, as the emerging Local Plan

<p>Affordable Housing secured through developer contributions are now required to be First Homes.</p> <p>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 Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>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. 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.</p>	<p>policy does not suggest the delivery of more than 75% affordable/ social rented housing.</p>
<p>F. Viability:</p>	<p>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.</p>
<p>G. Funding:</p> <p>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.</p>	<p>The Godstone Parish Council may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p>H. Existing tenure mix in Godstone NA:</p>	<p>In 2021, approximately just under a quarter (18.1%) of households in Godstone NA were</p>

<p>The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>living in Affordable Housing (0.4% shared ownership and 17.7% social rented). In England, 18.1% of households also lived in Affordable Housing in 2021, however, only 12.3% of households lived in Affordable Housing in Tandridge. This suggests that the NA and England has a higher number of households living in Affordable Housing than the LA and therefore the NA should be allocated homes. Notably, there are significantly more social rented households in Godstone NA than shared ownership.</p>
<p>I. Views of registered providers:</p>	<p>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 NA. The funding arrangements available to housing associations will determine rent levels.</p>
<p>J. Wider policy objectives:</p>	<p>The Godstone Parish Council may wish to take account of broader policy objectives for Godstone 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.</p>

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Godstone NA

	Name	Description	Spaces/ Dwellings	Tenure	Type
1	Anchor's Oakleigh	Dementia/ Older Person Care/ Respite Care	51 spaces	-	Care Home
2	Hickman's Close	Retirement Housing	24 dwellings	Flats	Retirement Housing
3	Oakhurst Court Nursing Home	Dementia/ Older Person Care/ Respite Care	57 spaces	-	Care Home

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

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

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	186	17.5%	262	24.6%	615	57.9%
<i>Owned Total</i>	124	14.2%	207	23.8%	540	62.0%
Owned outright	101	13.8%	175	23.9%	455	62.2%
Owned (mortgage) or shared ownership	23	16.4%	32	22.9%	85	60.7%
<i>Rented Total</i>	62	32.3%	55	28.6%	75	39.1%
Social rented	55	33.7%	44	27.0%	64	39.3%
Private rented or living rent free	7	24.1%	11	37.9%	11	37.9%

Source: DC3408EW Health status

HLIN calculations

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

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

Source: Housing LIN SHOP Toolkit

E.1 As Table 6-1 in the main report shows, Godstone NA is forecast to see an increase of 201 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 = $60 \times 0.201 = 12$
- Leasehold sheltered housing = $120 \times 0.201 = 24$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.201 = 4.02$
- Extra care housing for rent = $15 \times 0.201 = 3.01$
- Extra care housing for sale = $30 \times 0.201 = 6.03$
- Housing based provision for dementia = $6 \times 0.201 = 1.21$

Appendix F : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

Assessing affordability involves comparing housing costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority (LQAR) as well as median house price to median earnings by local authority (MAR) e.g. income = £25,000, house price = £200,000. House price: income ratio = $\frac{£200,000}{£25,000} = 8$, (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 methods²³.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard²⁴

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

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

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

Co-living

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

Community-led developments (NPPF definition)

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

Community Right to Build Order²⁵

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)²⁶

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.

²⁵ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²⁶ 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 years²⁷, 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.

²⁷ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75% (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 Housing²⁸

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

²⁸ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment

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. As with current LHNAs, SHMAs 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.²⁹

²⁹ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

