



# Hemsby Housing Needs Assessment (HNA)

July 2021

## Quality information

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## Revision History

Revision	Revision date	Details	Authorized	Name	Position
V1	19.04.21	Draft for comment	PA	Paul Avery	Senior Consultant
V2	28.06.21	Final draft following Hemsby NP Steering Group and Great Yarmouth Borough Council review	TF	Tracy Foster	Hemsby Neighbourhood Plan Steering Group
V3	09.07.21	Locality review	JW	John Wilkinson	Neighbourhood Planning Officer, Locality
V4	12.07.21	Final report	PA	Paul Avery	Senior Consultant

Report cover image: Hemsby village sign

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

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

## 1. Executive Summary

### 1.1 Conclusions- Tenure and Affordability

1. Hemsby has a much higher proportion of owned homes than either locally or nationally at 84%. There is a negligible amount of shared ownership. Hemsby has roughly a third of the amount of social housing expected locally and approximately half of the amount of private rented housing. The village has seen higher housing growth across the board than the national average. This is indicated by the higher increase in owned homes, social rented and private rented homes than across England over the intercensal period. Compared to Great Yarmouth, the number of owned homes and social rented homes increased at a faster rate. The growth in private renting is especially high in both Hemsby and Great Yarmouth and this indicates issues with housing affordability.
2. The data on mainstream housing shows that house prices in the area are relatively low for the East of England. Prices have steadily grown from a median value of around £150,000 to £200,000 over the last decade. This suggests that the local housing market is robust with strong demand and limited supply. The data shows that terraced homes have experienced the strongest price growth from a low base. Detached homes have seen close to average growth, and semi-detached homes have experienced slightly lower growth than average.
3. The average total household income before housing costs (equalised) across E02005538 in 2018 was £37,400. Great Yarmouth's gross LQ annual earnings are £12,015 per year. This is the LQ income before taxes (or benefits) for individual earners and so only correlates with the measure of household incomes above for single-person households. To estimate the income of LQ-earning households with two earners, the annual income is doubled, to £24,030.
4. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average market home for sale is higher than what would be expected to be available to those on average household incomes. The income required to buy an average entry-level home for sale is higher than the average income of those on lower quartile household incomes. The ability of those on dual lower quartile earnings to afford entry-level market rents, affordable rent and social rent suggests that these tenures are suitable to widen housing affordability to the widest group.
5. The expected level of delivery of 19 affordable homes does not meet the quantity of demand identified in estimates of the need for affordable housing. Therefore, the policy requirement be met wherever possible, and further avenues for delivering greater quantities of Affordable Housing (such as exception sites) should be explored. It is not recommended that the Local Plan policy requirement be exceeded in the neighbourhood plan because such steps are rarely accepted by planning inspectors on the grounds that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could, furthermore, have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
6. AECOM's calculation of affordable rented housing demonstrates a need for 14 homes over the plan period. AECOM's estimate of the potential demand for affordable home ownership options suggest there may be a need for these homes in Hemsby to address the aspirations of households who can rent but can't buy. This identified the potential demand for 100 homes over the plan period.
7. The key findings of this chapter are a need for 114 homes split between 100 affordable homes for sale and 14 affordable homes for rent. The level of need is much above the expected level of delivery of 19 affordable homes. We recommend a tenure split of 40% affordable home ownership products, of which 25% first homes, 10% shared ownership and 5% rent to buy, and 60% affordable homes for rent. There is evidence for the Neighbourhood Plan Group to require a higher level of discount for First Homes, up to 40% or 50%, rather than the minimum discount of 30%.

### 1.2 Conclusions- Type and Size

8. Compared with the Borough of Great Yarmouth and England, Hemsby is characterised by a far greater proportion of detached houses at around 62% of the housing stock. This is more than double the expected proportion at the local level, and nearly three times the national level. The quantity of semi-detached homes is nearer average and falls roughly halfway between local and national levels. There are few terraced houses at roughly a quarter of local levels and a third of national levels. Hemsby has very few flats. The village hosts a higher proportion of caravan and mobile dwellings at nearly twice local levels and over four times national levels.

9. The data shows that Hemsby's housing stock is skewed towards homes with more bedrooms. This can be seen in the relative lack of one-bedroom homes, and relative abundance of four-bedroom homes. Hemsby's proportion of two and three-bedroom homes is close to average.
10. The 2011 Census data reveals that Hemsby has a considerably older population than locally or nationally. This is demonstrated in the lower proportions of residents aged under 44, which is particularly notable among the 25-44 age group. However, Hemsby has higher proportions of residents aged 45-64, which means that the working age population roughly balances out as average. Hemsby has a very high proportion of residents aged 65-84 at nearly 25%, almost double the national average, and nearly 5% aged 85 or over. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 NA population has aged far more rapidly than the Borough or England at large. There has been very high growth in the population aged 65 or over at over 40%, this is likely to create considerable upward pressure on demand for specialist housing for older people.
11. The result of the life-stage modelling is a recommendation that development might involve the following share of dwelling sizes: 32.2% as 1 bedroom, 29.2% as two bedrooms, 35.5% as three bedrooms, 0% as four bedrooms and 3.1% as 5 or more bedrooms.

### 1.3 Conclusions- Specialist Housing for the Older People

12. We compare the 91 dwellings identified in the tenure-led approach for those who require housing with care with the 105 specialist dwellings that emerge from the HLIN calculations. By contrast, the 170 dwellings figure in the tenure-led projections is also based on those whose day-to-day needs are limited only a little, and whose housing needs therefore have the potential to be provided through adaptations to a conventional home.
13. For this reason, our recommendation would be to treat the outcome of these approaches as a range, with at least 91 specialist dwellings being required to service the needs of older people over the Plan period, and the projection of 105 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.
14. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
  - so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
  - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
  - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
15. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
16. It is considered that Hemsby is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Hemsby in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

### 1.4 Economy and tourism

17. We have provided some general background and recommendations on how the Neighbourhood Plan could support the tourism industry in Hemsby, which is a key asset to the village. Our broad recommendation is that further evidence is required to inform Neighbourhood Plan policies on this issue. There are many potential policy goals that the Neighbourhood Plan Steering Group could seek, but they would need bespoke local evidence.

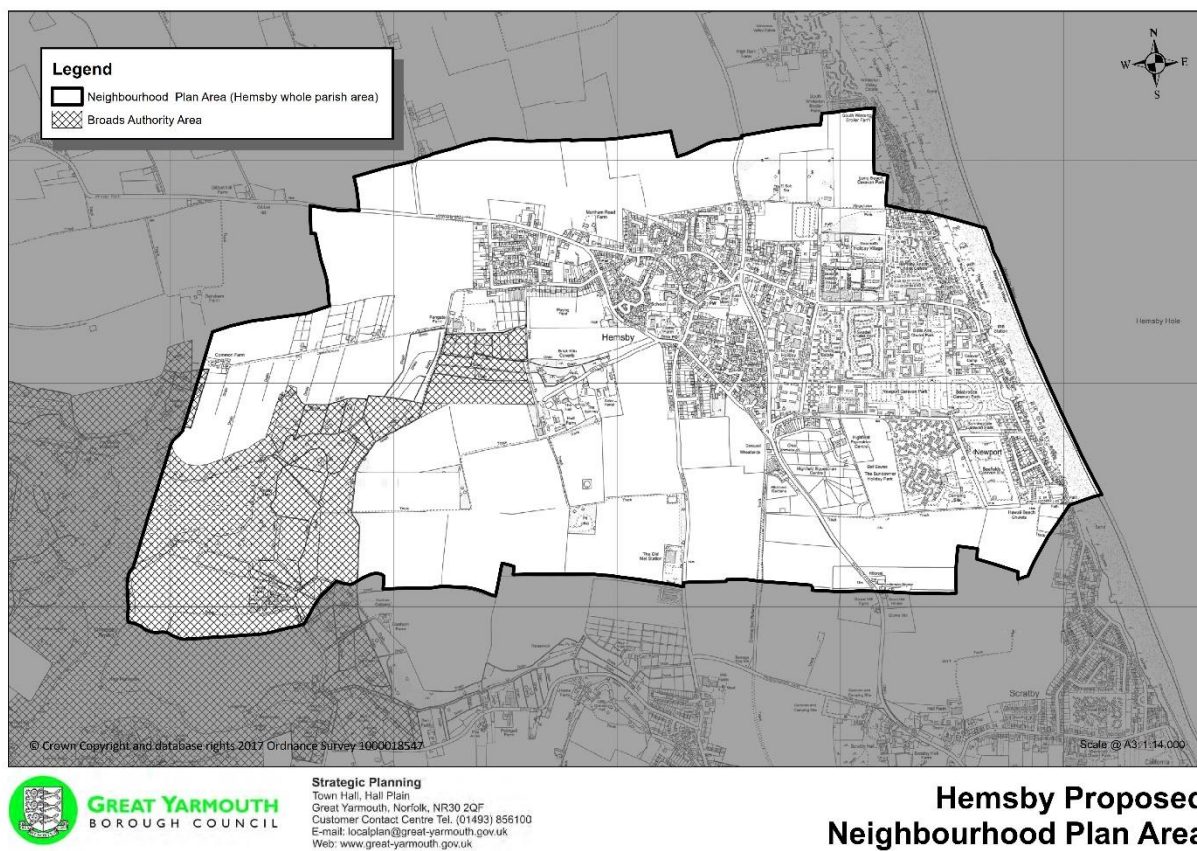


## 2. Context

### 2.1 Local context

18. Hemsby is a Neighbourhood Plan area located in the Borough of Great Yarmouth and partly in the Broads Authority, Norfolk. The Neighbourhood Area (NA) boundary comprises the parish of Hemsby and was designated in November 2017.
19. The proposed Neighbourhood Plan period starts in 2021 and extends to 2041, therefore comprising a planning period of 20 years.
20. Hemsby is a large coastal village located on Norfolk's North Sea coast which is known for its excellent sandy beaches. Hemsby Parish partly falls within The Broads National Park, which is a popular tourist destination and one of the UK's most important wetland habitats. The NP area is also in close proximity to The Norfolk Coast AONB. In terms of environmental designations, the parish contains the Broadland Ramsar Site, The Broads Special Area of Conservation (SAC), Broadland Special Protection Area (SPA), Hall Farm Site of Special Scientific Interest (SSSI) and Trinity Broads SSSI. Hemsby is located 7 miles north of Great Yarmouth, 17 miles north of Lowestoft, 21 miles east of Norwich, 19 miles south-east of North Walsham and 28 miles south-east of Cromer. Hemsby is a deprived community which is reliant on its large tourism industry for employment and income. The village includes a very large area of popular caravan and holiday parks. Hemsby has a good array of services including a primary school, supermarket, post office, petrol station, church, social club, playground and numerous cafes, pubs and arcades, many of which service the holiday parks.
21. Hemsby is in one of the more remote parts of East Anglia and the only major settlement in proximity is Great Yarmouth. Hemsby is connected to the road network by minor roads to Caister-on-Sea, Ormesby Saint Michael and Martham. The A149 coast road provides connections to Great Yarmouth, North Walsham and Cromer. The nearest station in Great Yarmouth provides rail services to Ipswich, London, Norwich and other destinations across East Anglia. The 1 Coastal Clipper bus provides regular rapid bus services to Great Yarmouth and Lowestoft.
22. The geographical data unit used for the Hemsby Neighbourhood Plan Area is the parish of Hemsby. For the 2001 census, when data by parish was not provided, two LSOAs Great Yarmouth 001A and Great Yarmouth 001C have been used, which together comprise the same area as the parish.
23. The statistics show that in the 2011 Census the Neighbourhood Plan area had a total of 3,275 residents.
24. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Hemsby Neighbourhood Plan area<sup>1</sup>



Source: Great Yarmouth Borough Council

25. The neighbourhood planners are interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

<sup>1</sup> Available at <https://www.great-yarmouth.gov.uk/article/3753/Hemsby-Neighbourhood-Plan>

## 2.2 Planning policy context

27. In line with the Basic Conditions<sup>2</sup> of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies.<sup>3</sup> Consequently, the relevant elements of the Local Plan are reviewed as part of this Housing Needs Assessment (HNA).
28. Hemsby falls within the Local Planning Authorities (LPAs) of Great Yarmouth Borough Council (GYBC) and the Broads Authority and is therefore subject to two sets of Local Plans. However, the vast majority of the NA is within GYBC's area and all of the settlement is in GYBC, as shown in Figure 2-1. Therefore, the more relevant plan policies for Hemsby are those of GYBC.
29. In the case of Hemsby, the relevant local planning context is as follows:
- Great Yarmouth Local Plan Part 1: Core Strategy 2013 – 2030<sup>4</sup>
  - Schedule of Remaining 2001 Borough Wide Local Plan Policies<sup>5</sup>
  - Emerging Great Yarmouth Local Plan Part 2<sup>6</sup>
  - Emerging Coastal Adaptation Supplementary Planning Document Initial Consultation<sup>7</sup>
  - Local Plan for the Broads 2015 – 2036 (only for a small rural part of the NA outside of the settlement)<sup>8</sup>

### 2.2.1 Policies in the adopted Great Yarmouth Local Plan: Part 1<sup>9</sup>

**Table 2-1: Summary of the Borough of Great Yarmouth adopted policies having most relevance to Hemsby Neighbourhood Plan Housing Needs Assessment**

Policy	Source	Provisions
Policy CS2 – Achieving sustainable growth	Adopted Great Yarmouth Local Plan Part 1	Sets out the settlement hierarchy for the borough. Hemsby is designated as one of the Primary Villages. Approximately 30% of new development across the borough will take place in the Primary Villages of Belton, Hemsby, Hopton on Sea, Ormesby St Margaret, Martham and Winterton-on-Sea. Primary Villages are smaller settlements with a small range of services and opportunities for employment, retail and education. They only serve a limited local catchment area.
Policy CS3 – Addressing the borough's housing need	Adopted Great Yarmouth Local Plan Part 1	Makes provisions for 7,140 new homes over the plan period. This will be achieved through allocating sufficient sites in the Local Plan Part 2 and/or Neighbourhood Development Plans. The housing target is split into two periods of 300 dwellings per annum in years 2013 – 2020 (2,100 dwellings) and 504 dwellings per annum in years 2021 – 2030 (5,040 dwellings).

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

<sup>3</sup> However, this does not affect the potential for the evidence base underpinning the emerging local plan to inform or form part of the evidence base for the neighbourhood plan.

<sup>4</sup> Available at <https://www.great-yarmouth.gov.uk/article/2489/Current-Local-Plan>

<sup>5</sup> Available at [https://www.great-yarmouth.gov.uk/media/1585/Schedule-of-Remaining-2001-Borough-Wide-Local-Plan-Policies/pdf/Schedule\\_of\\_Remaining\\_2001\\_Borough-Wide\\_Local\\_Plan\\_Policies.pdf](https://www.great-yarmouth.gov.uk/media/1585/Schedule-of-Remaining-2001-Borough-Wide-Local-Plan-Policies/pdf/Schedule_of_Remaining_2001_Borough-Wide_Local_Plan_Policies.pdf)

<sup>6</sup> Available at <https://www.great-yarmouth.gov.uk/article/6760/Examination-Library>

<sup>7</sup> Available at <https://eastssuffolk.inconsult.uk/consult.ti/coastaladaptationspd2020/consultationHome>

<sup>8</sup> Available at <https://www.broads-authority.gov.uk/planning/planning-policies/development>

<sup>9</sup> Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

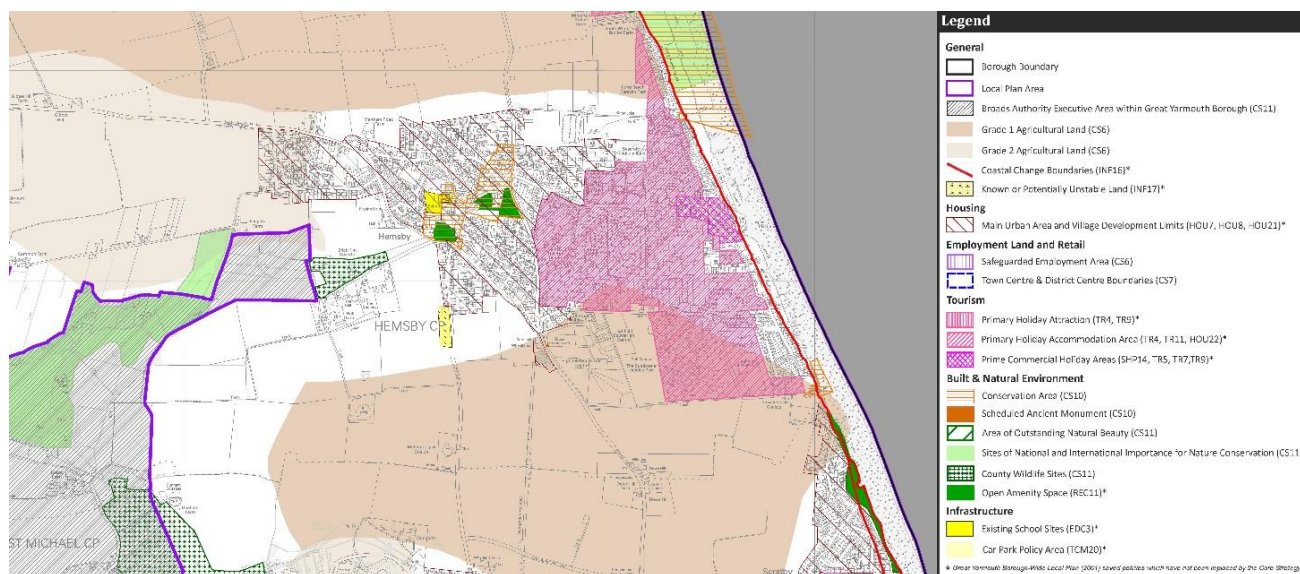
Policy	Source	Provisions
Policy CS4 – Delivering affordable housing	Adopted Great Yarmouth Local Plan Part 1	Hemsby falls within Affordable housing sub-market area 1 (Caister-on-Sea, Gorleston, Great Yarmouth North and Northern Rural) where the Council will seek a threshold of 10 dwellings <sup>10</sup> for requiring affordable housing with 20% of units to be affordable. Affordable housing provision for key sites will be considered separately.
Policy CS8 – Promoting tourism, leisure and culture	Adopted Great Yarmouth Local Plan Part 1	The council will safeguard the existing stock of visitor holiday accommodation, especially those within designated holiday accommodation areas.
Policy HOU7 – New residential development (Saved 2001 Local Plan Policy)	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	New residential development may be permitted within the identified settlement boundary in the parish of Hemsby.
Policy HOU10 – New dwellings in the countryside	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Permission for new dwellings in the countryside will only be given if required in connection with agriculture, forestry, organised recreation or the expansion of existing institutions.
Policy HOU11 – Change of use of existing buildings outside development limits to residential use	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Outside of the village development limits of Hemsby proposals for the change of use of existing buildings to residential use where the proposal a specific set of requirements set out in this policy and other relevant policies of the plan.
Policy HOU21 – New residential homes and nursing homes	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Proposals for new residential homes or nursing homes within Use Class C2 will be permitted granted that the site is located in the village development area of Hemsby.
Policy HOU22 – Primary Holiday Accommodation Areas	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Within Primary Holiday Accommodation Areas the conversion or change of use of properties to permanent residential uses will not be permitted. Outside of these areas, proposals to change the use of holiday flats to permanent residences will be permitted subject to Policy TR12 and Policy HOU23.
Policy TR4 – Tourist facilities, attractions and accommodation	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Proposals to change the use of tourist facilities, attractions or accommodation to purposes which are not tourist-related will not be permitted within Primary Holiday Accommodation and Primary Holiday Attraction Areas.
Policy TR5 – Character of holiday areas	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	The Council will preserve and enhance the existing character of holiday areas by ensuring they are not spoilt by over-development. Certain commercial uses will only be permitted in the Prime Commercial Holiday Areas.
Policy TR7 – New visitor facilities in Prime Commercial Holiday Areas	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Proposals for new visitor facilities and attractions may be permitted in the Prime Commercial Holiday Area of Hemsby.
Policy TR11 – Loss and improvement of holiday accommodation	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	The Council will permit developments which improve the range of good quality holiday accommodation. Within Primary Holiday Accommodation Areas, the loss of holiday accommodation will only be permitted where it can be demonstrated that an alternative use would be of the overall benefit to the tourism industry.
Policy TR26 – Hemsby Marrams Management Area	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	The Council will protect the Hemsby Marrams Management Area by not permitting the replacement of, or extensions to, existing holiday bungalows or other inappropriate development.

Source: *Great Yarmouth Borough Council*

30. The policy map below in Figure 2-2 shows where adopted policies apply in different parts of Hemsby.

<sup>10</sup> The Local Plan policy originally stated a threshold of 5 dwellings, however, Great Yarmouth Council has informed AECOM that the threshold will change to 10 dwellings as a result of updated national planning policy. The Inspector examining the emerging Local Plan Part 2 has suggested updating Policy CS4 to reflect a threshold of 10 dwellings. This is therefore the relevant figure going forward.

Figure 2-2: Adopted Local Plan policies map – Hemsby inset



2.2.2 Policies in the emerging Great Yarmouth Local Plan: Part 2<sup>11</sup>

Table 2-2: Summary of the Borough of Great Yarmouth adopted policies having most relevance to Hemsby Neighbourhood Plan Housing Needs Assessment

Policy	Source	Provisions
Policy UCS3: Adjustment to Core Strategy Housing Target	Emerging Great Yarmouth Local Plan: Part 2	Core Strategy Policy CS3 is amended to make provision for 5,303 new homes over the plan period.
Policy GSP1: Development Limits	Emerging Great Yarmouth Local Plan: Part 2	Development Limits are defined by the emerging Policies Map and development will be supported in principle within these Development Limits.
Policy GSP2: Housing requirements for Neighbourhood Plan Areas	Emerging Great Yarmouth Local Plan: Part 2	The indicative housing requirement for the designated Neighbourhood Area of Hemsby is zero above the Policy HY1 allocation. Neighbourhood Plans can allocate land for housing within or outside of the defined Development Limits in addition to the above requirement in consideration of: <ul style="list-style-type: none"> <li>- The proportion of housing growth indicated for that tier of the settlement hierarchy by Core Strategy Policy CS2</li> <li>- The relationship of the site to the built-up area of the settlement</li> <li>- The settlement size, provision and access to local facilities and infrastructure</li> <li>- The conservation and enhancement of landscape, heritage, environment and wildlife qualities of areas and surroundings</li> </ul>
Policy GSP4: New development in Coastal Change Management Areas	Emerging Great Yarmouth Local Plan: Part 2	Land to the seaward side of the Coastal Management Area Line identified in the emerging Policies Map is defined as a Coastal Change Management Area. Development will be carefully controlled to manage the effects of coastal erosion and change.
Policy HY1: Land at Former Pontins Holiday Camp, Hemsby	Emerging Great Yarmouth Local Plan: Part 2	Land at the former Pontins Holiday Camp is allocated for 190 dwellings together with tourism and retail facilities. This should include a mix of housing types and sizes.

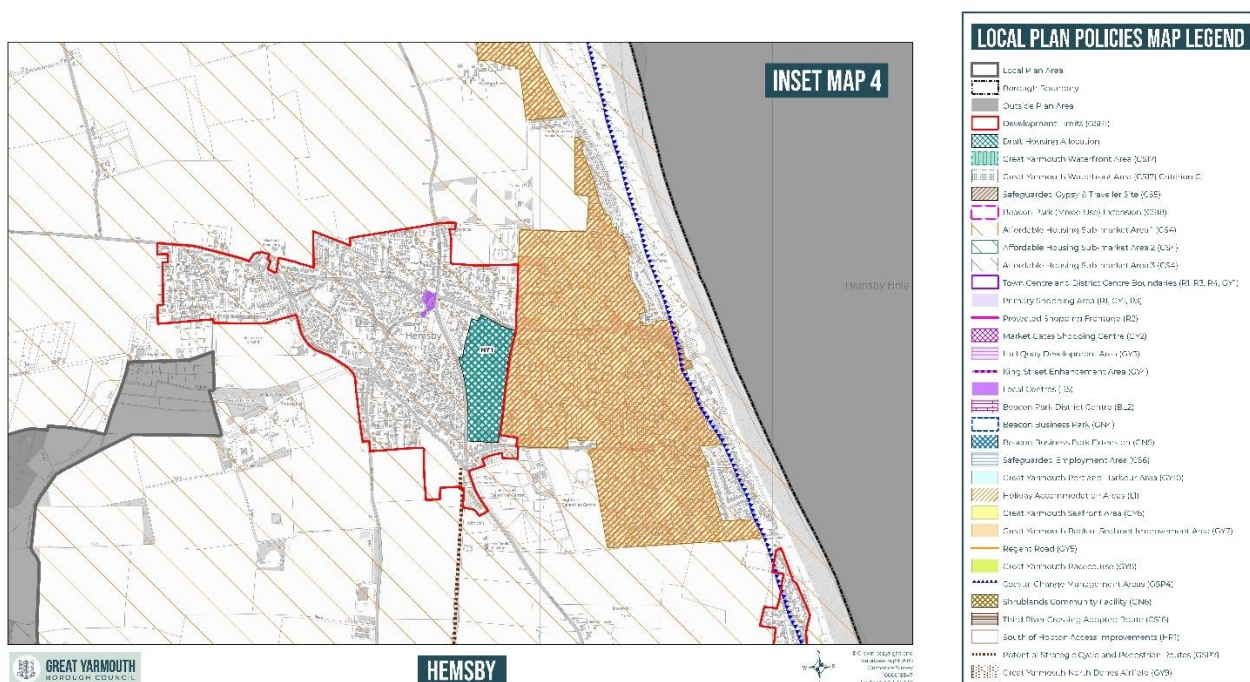
<sup>11</sup> Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

Policy	Source	Provisions
Policy H1: Affordable housing tenure mix	Emerging Great Yarmouth Local Plan: Part 2	As a starting point, GYBC will seek the following split in the affordable housing requirement: 90% Affordable Rent, 10% Affordable Home Ownership. Alternative tenures may be accepted where a demand can be demonstrated for other affordable housing products.
Policy L1: Holiday accommodation areas	Emerging Great Yarmouth Local Plan: Part 2	In the Holiday Accommodation Areas the Council aims to encourage year-round, sustainable tourism, support upgrades or enhancements, resist the loss of tourism uses and maintain and improve the public realm. Only in exceptional circumstances will the loss of holiday accommodation be acceptable.

Source: Great Yarmouth Borough Council

31. The policy map below in Figure 2-3 shows where emerging policies apply in different parts of Hemsby.

Figure 2-3: Adopted Local Plan policies map – Hemsby inset



### 2.2.3 Quantity of housing to provide

32. The NPPF 2019 requires, through paragraphs 65 and 66, Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
33. The Borough of Great Yarmouth has fulfilled that requirement by providing Hemsby with an allocation of 190 dwellings to be accommodated within the Neighbourhood Plan area. The 190 dwellings have been allocated by Great Yarmouth Council in the emerging Great Yarmouth Local Plan, so there is no remaining housing requirement figure for the Neighbourhood Plan up to 2030<sup>12</sup>. However, there will be more delivery than this due to outstanding planning permissions. In addition, the Neighbourhood Plan period extends to 2041. It is therefore expected that the Great Yarmouth Council will update the housing requirement figure for the period 2030 to 2041. As part of the Local Plan review process, an additional housing requirement figure for 2030 to 2041 should be anticipated.
34. Given that the NPPF requirement has already been fulfilled, the question of how many houses to plan for has been answered. It is therefore outside the scope of this Housing Needs Assessment. The issue of quantity has been excluded from the Research Questions (see Chapter 3 below).

<sup>12</sup> As confirmed in the emerging Great Yarmouth Local Plan.

## 3. Approach

### 3.1 Research Questions

35. Research Questions, abbreviated to 'RQ;' are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct the research and provide the structure for the HNA.
36. The RQs relevant to this study, as discussed and agreed with Hemsby, are set out below.

#### 3.1.1 Tenure and Affordability

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

***RQ 1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?***

#### 3.1.2 Type and Size

39. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. Hemsby is an atypical housing stock with many residents living in static caravans, mobile homes or holiday let accommodation. It is important to take this significant portion of the community into account and ensure that their needs are met. Hemsby therefore has a need for smaller and more flexible accommodation.
40. The aim of this research question is to provide neighbourhood planners with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.

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

#### 3.1.3 Specialist Housing for Older People

41. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older people. In terms of housing, the group is particularly interested in how those needs might be met through a variety of solutions – including mainstream housing which meets the needs of households at all life stages and specialist accommodation which promotes independent living and access to care and support. There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for older people through the Plan period.

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

#### 3.1.4 Economy and Tourism

42. The neighbourhood planning group is keen to ensure that Hemsby's economic thrives over the plan period, particularly the tourism sector which is integral to local employment. This section of the report summarises the planning policy context for Hemsby and makes some general recommendations.

***RQ 4: How should the Hemsby Neighbourhood Plan support Hemsby's economy and tourism sector?***

## 3.2 Relevant Data

### 3.2.1 Local authority evidence base

43. It is appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As the Hemsby Neighbourhood Area is located within the Borough of Great Yarmouth's planning area, we therefore turned to the relevant Strategic Housing Market Assessment (SHMA) which is known as Great Yarmouth SHMA (2013).<sup>13</sup>
44. For the purpose of this HNA, data from Great Yarmouth Borough Council's own evidence base to support their housing policies has been considered applicable and relevant unless it conflicts with more locally specific and/or more recently-produced evidence. The housing market evidence draws upon a range of data including population and demographic projections, housing market transactions, and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the Neighbourhood Plan area and has been referenced as appropriate.

### 3.2.2 Other relevant data

45. In addition to the Borough of Great Yarmouth evidence base, we have assessed other evidence to ensure our study is robust for the purposes of developing policy at the NP level and is locally specific. This includes data from both Census 2001 and 2011, as well as from a wide range of other data sources, including:
  - Land Registry data on prices paid for housing within the local market;
  - Population and household projections produced by the Office of National Statistics (ONS);
  - Information on current property asking prices, for housing for sale or rent, from [home.co.uk](http://home.co.uk);
  - The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for estimating the need for differing types of specialist dwellings for older people; and
  - Neighbourhood-level survey and consultation work giving further detail.

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<sup>13</sup> Available at [https://www.great-yarmouth.gov.uk/media/1241/Strategic-Housing-Market-Assessment/pdf/Strategic\\_Housing\\_Market\\_Assessment.pdf](https://www.great-yarmouth.gov.uk/media/1241/Strategic-Housing-Market-Assessment/pdf/Strategic_Housing_Market_Assessment.pdf)



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

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

### 4.1 Introduction

46. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
47. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
48. The definition of Affordable Housing set out in the 2019 NPPF makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently introduced a new product called First Homes.<sup>14</sup>
49. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:
  - First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
  - The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
  - After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
  - 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.

### 4.2 Current tenure profile

50. The current tenure pattern is a key characteristic of the local neighbourhood area. Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or

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<sup>14</sup> 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>. Note that First Homes formally come into effect from 28 June 2021, and Local and Neighbourhood Plans that have reached an advanced stage of development by that date may not need to reflect these changes. However, it is advisable for all plans in process to reflect the direction of policy changes where possible.

buy and whether they need subsidy to access housing. Table 4-1 below presents Census data from 2011; this table shows the distribution of how households occupy their homes within Hemsby, compared to the rest of the Borough of Great Yarmouth and England.

51. Hemsby has a much higher proportion of owned homes than either locally or nationally at 84%. There is a negligible amount of shared ownership. Hemsby has roughly a third of the amount of social housing expected locally and approximately half of the amount of private rented housing.

**Table 4-1: Tenure (households) in Hemsby, 2011**

Tenure	Hemsby	Great Yarmouth	England
Owned; total	83.9%	64.3%	63.3%
Shared ownership	0.1%	0.3%	0.8%
Social rented; total	4.8%	17.2%	17.7%
Private rented; total	9.6%	16.5%	16.8%

Sources: Census 2011, AECOM Calculations

52. In Table 4-2, we note the changes in tenure during the intercensal period. Hemsby has seen higher housing growth across the board than the local and national average. This is indicated by the higher increase in owned homes, social rented and private rented homes. The growth in private renting is especially high and indicates issues with housing affordability.

**Table 4-2: Rates of tenure change in Hemsby, 2001-2011**

Tenure	Hemsby	Great Yarmouth	England
Owned; total	13.4%	-1.4%	-0.6%
Shared ownership	-33.3%	58.7%	30.0%
Social rented; total	8.1%	2.4%	-0.9%
Private rented; total	98.5%	110.1%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

## 4.3 Affordability

53. Having reviewed the tenure of the existing housing stock in Hemsby this report assesses the affordability of homes to those living in the Neighbourhood Plan area.
54. The following analysis considers house prices and rents in the neighbourhood area and whether these are affordable to local households on the basis of their incomes or earnings. Poor or worsening affordability of homes to rent or buy can indicate the need to provide Affordable Housing.

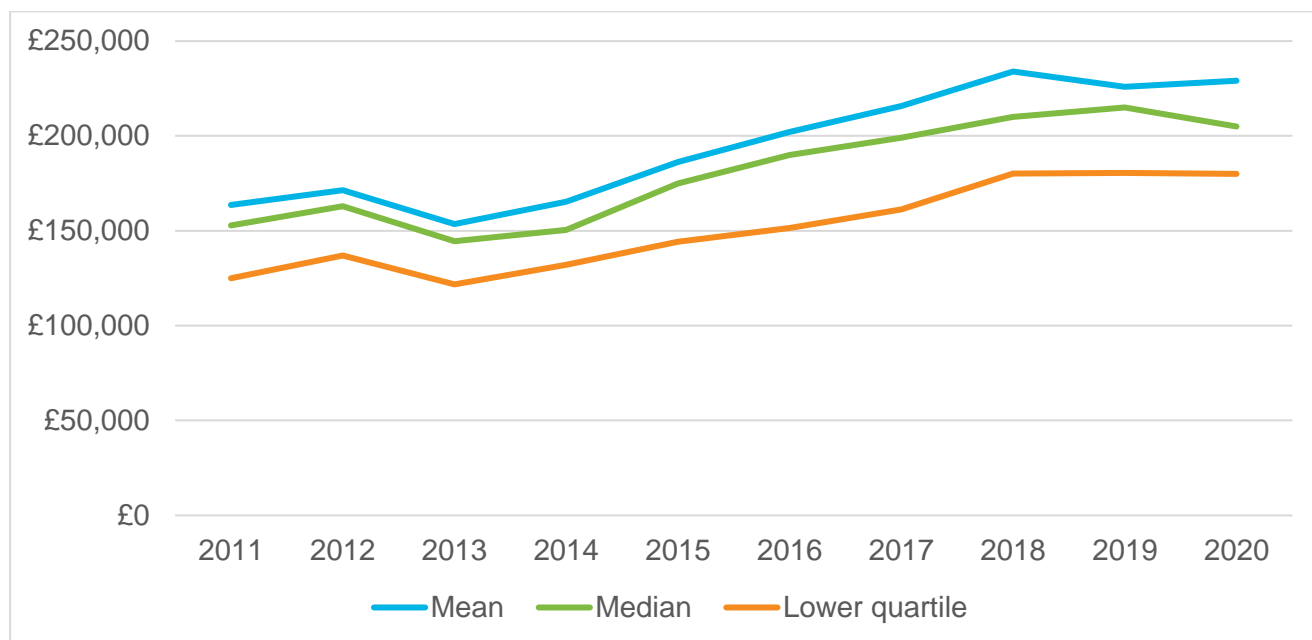
### 4.3.1 House prices

55. 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.
56. Figure 4-1 on the following page looks at selected measures of house prices in Hemsby. Note that a large proportion of property sales recorded by the Land Registry in Hemsby are other forms of housing such as mobile homes or holiday accommodation such as chalets, caravans and flats. These have been excluded from the data because they significantly distort price data. In terms of assessing housing affordability, this report is chiefly concerned with mainstream properties. However, the extent of mobile homes or other similar alternative abodes is an important local feature of the housing market, and a considerable contribution to the range and choice of properties. These properties are significantly less expensive than mainstream housing and therefore may provide a route to home ownership for those that would otherwise not be able to afford a home. The data on mainstream housing shows that house prices in the area are relatively low for the East of England. Prices have steadily grown from a median value of around £150,000 to £200,000

over the last decade. This suggests that the local housing market is robust with strong demand and limited supply.

57. PPG makes clear that lower-quartile house prices may be used as a benchmark for entry-level home prices.<sup>15</sup> Entry-level properties are typically those with one or two bedrooms – either flats or houses.

**Figure 4-1: House prices by quartile in Hemsby between 2011 and 2020**



Source: Land Registry PPD

58. Table 4-3 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It shows that terraced homes have experienced the strongest price growth from a low base. Detached homes have seen close to average growth, and semi-detached homes have experienced slightly lower growth than average.

**Table 4-3: House prices by type in Hemsby, 2010-2019, 000s**

Type	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Growth
Detached	£179	£194	£174	£184	£214	£218	£243	£257	£247	£257	43.5%
Semi-detached	£145	£139	£139	£150	£169	£171	£171	£195	£195	£196	35.4%
Terraced	£122	£193	£123	£132	£132	£164	£154	£155	£181	£204	67.1%
<b>All Types</b>	<b>£164</b>	<b>£171</b>	<b>£154</b>	<b>£165</b>	<b>£186</b>	<b>£202</b>	<b>£216</b>	<b>£234</b>	<b>£226</b>	<b>£229</b>	<b>40.0%</b>

Source: Land Registry PPD

### 4.3.2 Income

59. 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.
60. The first source is locally specific but limited to the average total household income and the median net annual household income before housing costs (or take-home pay). This is the average household income estimates

<sup>15</sup> See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

published by ONS<sup>16</sup> at the level of the Middle-layer Super Output Area (MSOA)<sup>17</sup>. In the case of Hemsby the MSOA most suitable for use as a proxy for the Neighbourhood Plan area boundary is E02005538. Further details on the extent of this MSOA, including a map, and why it was selected as a proxy for the Neighbourhood Plan area, are set out in Appendix A.

61. The average total household income before housing costs (equalised) across E02005538 in 2018 was £37,400. This figure is typically used by mortgage lenders to assess a household's ability to afford to borrow.<sup>18</sup>
62. The second source of data is Lower Quartile (LQ) average earnings. This is helpful for understanding affordability challenges among those with lower than average earnings. However, this data relates to individual earnings and whilst this is an accurate representation of household incomes where households have one earner, it does not represent household income where there are two people earning. It is also only available at the Borough level.
63. It is derived from ONS annual estimates of paid hours worked and earnings for UK employees to local authority level.
64. Great Yarmouth's gross LQ annual earnings are £12,015 per year. This is the LQ income before taxes (or benefits) for individual earners and so only correlates with the measure of household incomes above for single-person households. To estimate the income of LQ-earning households with two earners, the annual income is doubled, to £24,030.

### 4.3.3 Affordability Thresholds

65. 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.
66. AECOM has determined thresholds for the income required in Hemsby to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
67. 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.
68. 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.
69. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

**Table 4-4: Affordability thresholds in Hemsby (income required, £)**

Tenure	Mortgage Value (90% of price)	Rent	Income required	Affordable on average incomes? £37,400	Affordable on LQ earnings (single earner)? £12,015	Affordable on LQ earnings (2 earners)? £24,030
<b>Market Housing</b>						
NA Median House Price	£184,500	-	<b>£52,714</b>	No	No	No
LA New Build Mean House Price	£197,808	-	<b>£56,517</b>	No	No	No
LQ/Entry-level House Price	£162,000	-	<b>£46,286</b>	No	No	No
Average Market Rent	-	£8,304	<b>£27,680</b>	Yes	No	No

<sup>16</sup>Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016>

<sup>17</sup> An MSOA is a statistical area defined for Census purposes. For further information on MSOAs, see <https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography>

<sup>18</sup> Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

Entry-level Market Rent	-	£7,726	<b>£25,753</b>	Yes	No	Marginal
<b>Affordable Home Ownership</b>						
First Homes (-30%)	£143,500	-	<b>£36,900</b>	Yes	No	No
First Homes (-40%)	£123,000	-	<b>£31,629</b>	Yes	No	No
First Homes (-50%)	£102,500	-	<b>£26,357</b>	Yes	No	Marginal
Shared Ownership (50%)	£102,500	£2,563	<b>£34,899</b>	Yes	No	No
Shared Ownership (25%)	£46,125	£3,844	<b>£25,991</b>	Yes	No	Marginal
<b>Affordable Rented Housing</b>						
Affordable Rent	-	£5,099	<b>£20,394</b>	Yes	No	Yes
Social Rent	-	£4,686	<b>£18,745</b>	Yes	No	Yes

Source: AECOM Calculations

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

#### Market housing for purchase and rent

71. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-large 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 51% higher than the current average.
72. Private renting is generally affordable to average earners. Households made up of two lower quartile earners cannot afford this tenure 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

73. There is a relatively large group of households in Hemsby who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £25,753 per year (at which point entry-level rents become affordable) and £46,286 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
74. 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.
75. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. In Hemsby a 30% discount on average prices would be just sufficient to extend home ownership to households on average incomes, but would not be sufficient to extend home ownership to households on lower incomes including those on dual lower quartile incomes, and therefore higher discounts up to 40% or 50% may be required to reach those with lower incomes.
76. Table 4-5 below shows the discount required for First Homes to be affordable to the three income groups, based on different ways of benchmarking the likely cost of this product.

**Table 4-5: Discount on sale price required for households to afford First Homes**

Tenure / product	Mean Income	LQ Income x1	LQ Income x2
Median house price	29%	77%	54%
New build mean house price (district-wide)	34%	79%	57%

Entry-level house price	19%	74%	48%
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Source: Land Registry PPD; ONS MSOA total household income

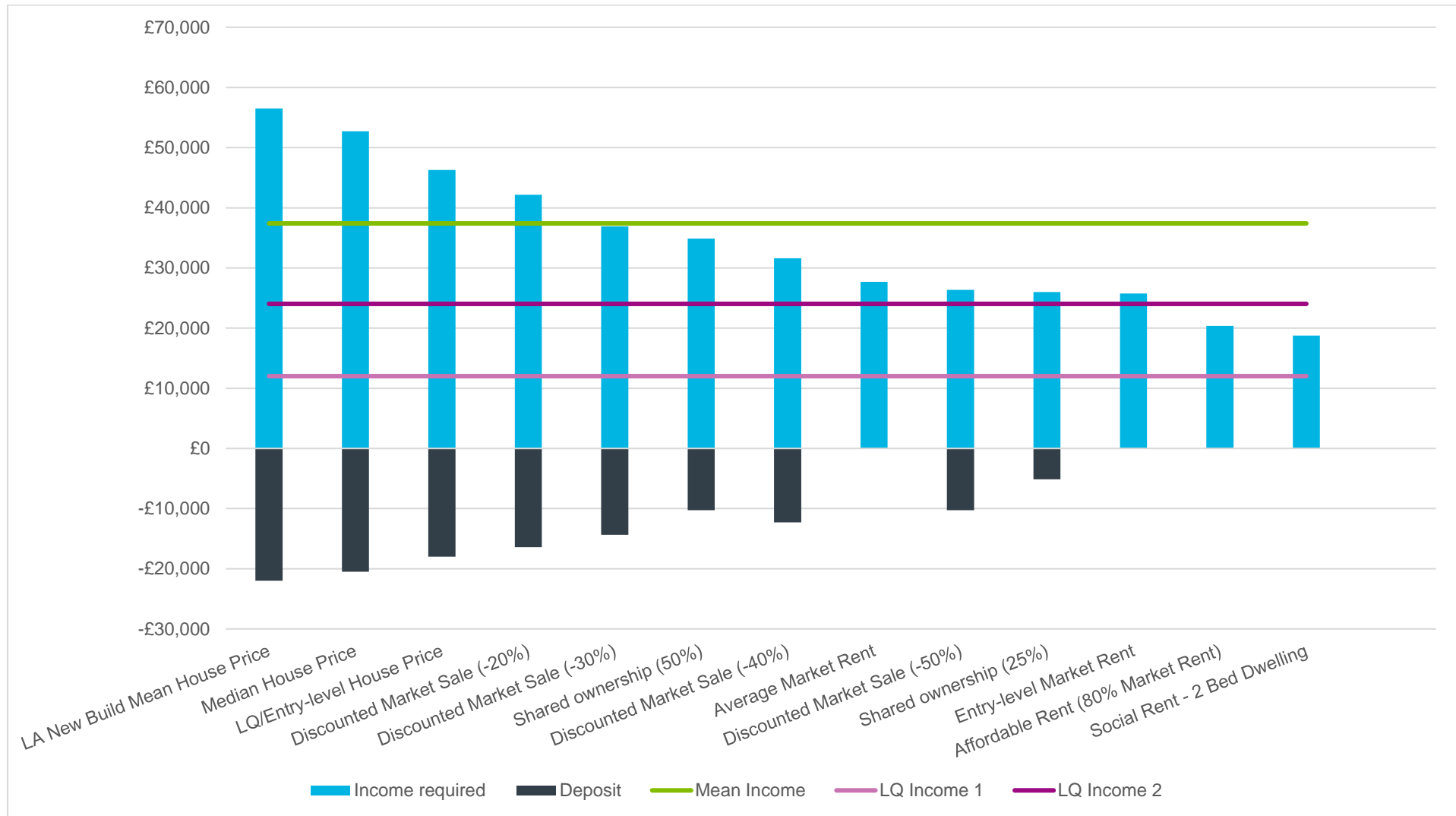
77. Shared ownership appears to be more affordable than First Homes, but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.<sup>19</sup> If this is delivered in the NA, it will make shared ownership easier to access for more people – with an income threshold of £20,646 which is affordable to two lower quartile owners. 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.
78. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
79. The income required to access rent to buy is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are less affordable options.
80. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
  - First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
  - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
  - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
  - Rent to buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.
81. In conclusion, all of these products would provide valuable to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder, while rent to buy is helpful to those with little or no savings for a deposit, and First Homes (especially at 50% discount) may provide a better long-term investment to those who can afford to access it.

### **Affordable rented housing**

82. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling, require additional subsidy through Housing Benefit to access housing.
83. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Hemsby 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.

<sup>19</sup> The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hws48>.

Figure 4-2: Affordability thresholds in Hemsby (income required, £)



Source: AECOM Calculations

## 4.4 Affordable housing- quantity needed

84. The starting point for understanding the need for affordable housing in Hemsby is the relevant Strategic Housing Market Assessment (SHMA). A SHMA was undertaken for Great Yarmouth in 2013. This study estimates the need for affordable housing in the Borough based on analysis of the Council's waiting list and analysis of other data sets in line with Planning Practice Guidance at the time. The SHMA identifies the need for 438 additional affordable homes each year in Great Yarmouth as a whole. 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. A small proportion of these households may be able to afford shared ownership because in some cases it is more affordable than market rents, especially when available at a share of 10%.
85. When the SHMA figures are pro-rated to Hemsby based on its fair share of the population (3.37% of the LPA's population), this equates to 14.7 homes per annum for social/affordable rent or 295 homes over the Neighbourhood Plan period (2021 – 2041). However, pro-rating Borough level estimates of affordable housing need to rural areas presents problems in practice. The Borough level figures are likely to represent higher needs in the urban areas of the Borough where there is a large social housing stock and larger numbers of households living in the PRS on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural villages like Hemsby the lack of social housing means there is no 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 Hemsby.
86. In Table 4-3 below we have calculated, using PPG as a starting point,<sup>20</sup> an estimate of the total need for affordable rented housing in Hemsby 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 we have available to us. For example, Census 2011 data is increasingly out-of-date. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
87. It should also be noted that figures in Figure 4-3: Estimate of the potential demand for affordable housing for sale in Hemsby

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in NA	164.6	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	26.2%	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefits in NA	43	1.1 x 1.2
1.4 Current need (households)	91.1	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	<b>4.6</b>	1.4/ plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	174.5	LA household projections for plan period (2014 based) pro rated to NA
2.2 % of households unable to buy but able to rent	6.3%	Current % of households in PRS
2.3 Total newly arising need	11.0	2.1 x 2.2
2.4 Total newly arising need per annum	<b>0.6</b>	2.3/ plan period
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	2	Number of shared ownership homes in NA (Census 2011 + new build to 2018/19)
3.2 Supply – intermediate resales	<b>0.1</b>	3.1 x 5% (assume rate of re-sale)
<b>NET SHORTFALL (OR SURPLUS) PER ANNUM</b>		
<b>Shortfall (per annum)</b>	<b>5.0</b>	<b>Shortfall = (Step 1.5 + Step 2.4) – 3.2</b>

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



<b>Overall shortfall over the plan period</b>	<b>100.0</b>	<b>(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period</b>
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Source: AECOM model, using Census 2011, English Housing Survey 2018, CLG 2014 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

88. 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).
89. 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.
90. are largely dependent on information provided by Great Yarmouth Borough Council in its capacity as manager of the local housing waiting list. The Council has provided data to AECOM showing that there are 38 current households in need in Hemsby.
91. The table shows that there are currently about 38 households in Hemsby unable to access affordable rented homes suitable to their needs. The table also suggests that, over the Plan period, 18 additional households in the Neighbourhood Plan area will fall into need, producing total need for affordable rented homes of 14 taking account of the supply of affordable homes

**Figure 4-2: Estimate of need for Affordable Housing for rent in Hemsby**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current households in need	38	Neighbourhood level data provided by LPA
1.2 Per annum	<b>1.9</b>	Step 1.1 divided by the plan period to produce an annualised figure.
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	174.5	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	10.2%	(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 parish	69	2011 Census social rented occupancy + LA % increase.
2.2.2 Number of private renters on housing benefits	43	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	18	Step 2.1 x Step 2.2.
2.4 Per annum	<b>0.9</b>	Step 2.3 divided by plan period.
<b>STAGE 3: TURNOVER OF AFFORDABLE HOUSING</b>		
3.1 Supply of social/affordable re-lets (including transfers) %	3%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	<b>2.1</b>	Step 3.1 x NA social rented stock (2.2.1).
<b>NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM</b>		
<b>Overall shortfall per annum</b>	<b>1</b>	<b>Step 1.2 + Step 2.4 - Step 3.2</b>
<b>Overall shortfall over the plan period</b>	<b>14</b>	<b>(Step 1.1 + Step 2.3) – Step 3.2 * plan period</b>

Source: AECOM model, using Census 2011, English Housing Survey 2018, MHCLG 2018 based household projections, LPA data 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.

92. Turning now to Affordable Housing providing a route to home ownership, Table 4-3 below estimates the potential demand in Hemsby. This model aims to estimate the number of households might wish to own their own home but cannot afford to – the ‘can rent, can’t buy’ group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

93. 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.<sup>21</sup> No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
94. The result of the calculation is 5 households per annum who may be interested in affordable home ownership (or 100 for the entirety of the Plan period).
95. Again this assumes a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently.
96. 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.

**Figure 4-3: Estimate of the potential demand for affordable housing for sale in Hemsby**

Stage and Step in Calculation	Total	Description
<b>STAGE 1: CURRENT NEED</b>		
1.1 Current number of renters in NA	164.6	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	26.2%	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefits in NA	43	1.1 x 1.2
1.4 Current need (households)	91.1	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	<b>4.6</b>	1.4/ plan period
<b>STAGE 2: NEWLY ARISING NEED</b>		
2.1 New household formation	174.5	LA household projections for plan period (2014 based) pro rated to NA
2.2 % of households unable to buy but able to rent	6.3%	Current % of households in PRS
2.3 Total newly arising need	11.0	2.1 x 2.2
2.4 Total newly arising need per annum	<b>0.6</b>	2.3/ plan period
<b>STAGE 3: SUPPLY OF AFFORDABLE HOUSING</b>		
3.1 Supply of affordable housing	2	Number of shared ownership homes in NA (Census 2011 + new build to 2018/19)
3.2 Supply – intermediate resales	<b>0.1</b>	3.1 x 5% (assume rate of re-sale)
<b>NET SHORTFALL (OR SURPLUS) PER ANNUM</b>		
<b>Shortfall (per annum)</b>	<b>5.0</b>	<b>Shortfall = (Step 1.5 + Step 2.4) – 3.2</b>
<b>Overall shortfall over the plan period</b>	<b>100.0</b>	<b>(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period</b>

Source: AECOM model, using Census 2011, English Housing Survey 2018, CLG 2014 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

97. 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).
98. 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.

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

#### 4.4.1 Additional SHMA findings

99. The SHMA notes that the growth in the private rented sector in Great Yarmouth has had a notable impact on housing market dynamics and household decisions. Growth can be attributed to the limited supply of social rented housing and the greater flexibility offered by this tenure. In Great Yarmouth, the number of households in private rented accommodated on Housing Benefit or other benefits has increased considerably. There is a disproportionately high rate of over 60% of households in the private rent on some kind of benefit support, which shows that many of these households experience financial difficulties. In terms of those households private renting, these tend to be younger, less likely to have children and have lower incomes. Affordability in the private rented sector is of increasing concern because rents are rising faster than earnings – nearly 40% of households spend over 30% of their income on housing and 15% spend over half their income on housing.
100. The SHMA estimates how many households in defined housing need are able to afford different levels of affordable rent. Of households in need, 4.9% can afford Affordable Rent at 80%, 13.2% can afford Affordable Rent at 70%, 17.7% can afford Affordable Rent at 65% and 22.8% can afford Affordable Rent at 60%. The remaining 26% require further support on Social Rent. It also estimates that the number of affordable rented homes by size required with a breakdown of 46% one-bedroom, 35% two-bedroom, 16% three-bedroom and 3% four-bedroom.

#### 4.4.2 Affordable Housing Policies in Hemsby

101. Great Yarmouth's adopted policy CS4 on this subject requires 20% of all new housing on sites over 10 dwellings to be affordable.
102. 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.
103. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is outlined as 90% affordable rent and 10% affordable home ownership products in emerging policy H1. However, the Government's First Homes ministerial statement requires a minimum of 25% of new affordable homes to be First Homes and this will therefore require a higher minimum proportion of affordable home ownership products. The HNA can supply more localized evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Hemsby specifically.
104. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:
- A. **Evidence of need for Affordable Housing:** This study estimates that Hemsby requires roughly 14 units of affordable rented housing and 100 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.
- The relationship between these figures suggests that 12% of Affordable Housing should be rented and 88% should offer a route to ownership. However, as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.
- If the quantity of new housing overall were unlimited, 12% to 88% may be an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.
- B. **Can Affordable Housing needs be met in full?** How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.
- If the Local Plan target of 20% were achieved on the anticipated site, up to around 19 affordable homes might be expected in the NA. If the majority of Hemsby's HRF is expected to come forward in the form of small infill developments, those schemes are unlikely to be large enough to meet the threshold of 10 dwellings, above which the Affordable Housing policy applies. If that is the case, the potential delivery of Affordable Housing is likely to be lower still. This is not sufficient to satisfy the total potential demand for Affordable Housing identified here.

As a result, affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority. But given the expected volume of future delivery it is reasonable to assume that supply will be limited and affordable rented accommodation should be prioritised.

- C. **Government policy (eg NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in Hemsby, where 20% of all housing should be affordable, 50% of Affordable Housing should be for affordable ownership. This does not comply with the guideline tenure split sought in the Local Plan.

There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA delivery of 10% or more of homes as affordable home ownership would impact on the ability to deliver social/affordable rented homes.

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

This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This is the case for Great Yarmouth as Policy H1 proposes a tenure mix of 90% rented and 10% affordable housing for sale, but with a degree of flexibility.

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.

First Homes do appear to be an appropriate product in the parish based on the affordability analysis above.

- E. **Local Plan policy:** Great Yarmouth's emerging Local Plan Policy H1 proposes a tenure mix of 90% rented and 10% affordable housing for sale, with a degree of flexibility.
- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site specific level. Viability issues are recognised in the Council's adopted/emerging Local Plan and it is acknowledged that this may affect the provision of affordable housing and/or the mix of tenures provided.
- G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Hemsby:** Evidence suggests there is limited Affordable Housing (either to rent or for sale) within the NA at present. This suggests that some provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.
- I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in this area. Some housing associations may be reluctant to take on small numbers of homes in rural areas because of the extra cost involved in managing this stock. However, there may be specialist providers who are willing to provide this housing and so the delivery of social/affordable rented homes should not be ruled out if it is an objective of the neighbourhood group and supported by the Council.
- J. **Wider policy objectives:** the neighbourhood group may wish to take account of broader policy objectives for Hemsby and/or the wider Borough. These could include, but are not restricted to, policies to attract younger households, families or working age people to the Neighbourhood Area. These wider considerations may influence the mix of Affordable Housing provided.

105. On the basis of the considerations above, Table 4-6 below proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

106. This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here. In this context, affordable rented tenures should be prioritised. The emerging Local Plan's guideline mix of 90% rented to 10% ownership is no longer the correct baseline to use because the Government's First Homes requirement requires that a minimum of 25% of Affordable Homes will be First Homes. In this case,

because of the need to prioritise affordable rented tenures to provide housing to those on the lowest incomes, a ratio of 60% rented to 40% ownership ratio is recommended. This prioritises affordable rented homes while also being compliant with the Government's First Homes ministerial statement.

107. Since First Homes appears a helpful option locally, assuming it can also be offered up to the maximum discount level of 50%, national policy that First Homes should represent 25% of the affordable mix is suitable here. In the interests of diversity and maximizing choice, a further 10% is allocated to shared ownership rather than more First Homes and an additional 5% is allocated to Rent to buy as another affordable home ownership option.
108. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
109. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Great Yarmouth Council to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
110. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

**Table 4-6: Indicative tenure split (Affordable Housing)**

Tenure	Indicative mix	Considerations and uncertainties
<b>Routes to home ownership, of which</b>	<b>40%</b>	
First Homes <sup>22</sup>	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	10%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to buy	5%	Emerging product with popularity and effectiveness as yet unknown Impact of displacement by First Homes unknown
<b>Affordable Housing for rent, of which</b>	<b>60%</b>	
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

## 4.5 Conclusions- Tenure and Affordability

111. Hemsby has a much higher proportion of owned homes than either locally or nationally at 84%. There is a negligible amount of shared ownership. Hemsby has roughly a third of the amount of social housing expected locally and approximately half of the amount of private rented housing. The village has seen higher housing growth across the board than the local and national average. This is indicated by the higher increase in owned homes, social rented and

<sup>22</sup> In the event that the First Homes product does not go forward at all, the proportion of Affordable Housing allotted to First Homes in Mix 1 could be re-allocated to discounted market sales housing if this is available at broadly equivalent discounts, or to other forms of affordable home ownership also recommended in the table.

private rented homes. The growth in private renting is especially high and indicates issues with housing affordability.

112. The data on mainstream housing shows that house prices in the area are relatively low for the East of England. Prices have steadily grown from a median value of around £150,000 to £200,000 over the last decade. This suggests that the local housing market is robust with strong demand and limited supply. The data shows that terraced homes have experienced the strongest price growth from a low base. Detached homes have seen close to average growth, and semi-detached homes have experienced slightly lower growth than average.
113. The average total household income before housing costs (equalised) across E02005538 in 2018 was £37,400. Great Yarmouth's gross LQ annual earnings are £12,015 per year. This is the LQ income before taxes (or benefits) for individual earners and so only correlates with the measure of household incomes above for single-person households. To estimate the income of LQ-earning households with two earners, the annual income is doubled, to £24,030.
114. Taking into consideration the affordability thresholds set out in Table 4-4 and Appendix A, it is apparent that the income required to buy an average market home for sale is higher than what would be expected to be available to those on average household incomes. The income required to buy an average entry-level home for sale is higher than the average income of those on lower quartile household incomes. The ability of those on dual lower quartile earnings to afford entry-level market rents, affordable rent and social rent suggests that these tenures are suitable to widen housing affordability to the widest group.
115. AECOM's calculation of affordable rented housing demonstrates a need for 14 homes over the plan period. AECOM's estimate of the potential demand for affordable home ownership options suggest there may be a need for these homes in Hemsby to address the aspirations of households who can rent but can't buy. This identified the potential demand for 100 homes over the plan period.
116. Table 4-7 below summarises Hemsby's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation, and shows the quantities of affordable housing for rent and sale that would be delivered if each of the tenure mixes proposed in this HNA were rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighborhood plan (e.g. if the group plan for more housing (and therefore more affordable housing) than the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.

**Table 4-7: Estimated delivery of Affordable Housing in Hemsby**

	<b>Step in Estimation</b>	<b>Expected delivery</b>
A	Provisional capacity figure	93
B	Affordable housing quota (%) in LPA's Local Plan	20%
C	Potential total Affordable Housing in NA (A x B)	19
D	Rented % (e.g. social/ affordable rented)	60%
E	Rented number (C x D)	11
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	40%
G	Affordable home ownership number (C x F)	8

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

117. This expected level of delivery does not the quantity of demand identified in estimates of the need for affordable housing. Therefore, the policy requirement be met wherever possible, and further avenues for delivering greater quantities of Affordable Housing (such as exception sites) should be explored. It is not recommended that the Local Plan policy requirement be exceeded in the neighbourhood plan because such steps are rarely accepted by planning inspectors on the grounds that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could, furthermore, have the effect of discouraging new

building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.

118. 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, and implemented by the LPA. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all tried and tested ways of boosting the supply of affordable housing above the minima indicated by Local Plan policy.
119. The key findings of this chapter are a need for 114 homes split between 100 affordable homes for sale and 14 affordable homes for rent. The level of need is much above the expected level of delivery of 19 affordable homes. We recommend a tenure split of 40% affordable home ownership products and 60% affordable homes for rent. There is evidence for the Neighbourhood Plan Group to require a higher level of discount for First Homes, up to 40% or 50%, rather than the minimum discount of 30%.

## 5. RQ 2: Type and Size

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

### 5.1 Introduction

120. The Hemsby Neighbourhood Plan may benefit from the inclusion policies informed by evidence on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people options within the housing market at all stages of life.
121. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Hemsby. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type is determined by the way different household types currently occupy their dwellings in the wider Local Authority area, and then applying demographic projections of how the Neighbourhood Plan area population is likely to change by the end of the Plan period.

### 5.2 Existing types and sizes

#### 5.2.1 Background and definitions

122. Before beginning our consideration of dwelling type and size, it is important to understand how different types of households occupy their homes. Crucially, and unsurprisingly, household 'consumption' of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth, income, and age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability.
123. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture to demographics, household type and size.
124. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' can be translated as follows<sup>23</sup>:
- 1 room = bedsit
  - 2 rooms = flat/house with one bedroom and a reception room/kitchen
  - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
  - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
  - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
  - 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
  - 7+ rooms = house with 4 or more bedrooms
125. It is also useful to clarify the Census terminology around dwellings and households spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained.<sup>24</sup> As such, all dwellings are classified into either "shared" or "unshared" dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.
126. The key measure of whether a dwelling is shared or unshared relates to the Census' definition of a household. A

<sup>23</sup> At <https://www.nomisweb.co.uk/census/2011/qs407ew>

<sup>24</sup> At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>



household is defined as “One person living alone or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area.”<sup>25</sup> On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

### 5.2.2 Dwelling type

127. The 2011 Census shows that there were 1,409 households in Hemsby, living in 964 detached houses, 420 semi-detached, 113 terraced houses and 20 flats. The number of dwellings at 1,550 compared to 1,409 households suggests a high amount of vacancy of 9%, which may be attributed to second or holiday homes. Compared with the Borough of Great Yarmouth and England, Hemsby is characterised by a far greater proportion of detached houses at around 62% of the housing stock. This is more than double the expected proportion at the local level, and nearly three times the national level (see Table 5-1 below). The quantity of semi-detached homes is nearer average and falls roughly halfway between local and national levels. There are few terraced houses at roughly a quarter of local levels and a third of national levels. Hemsby has very few flats. The village hosts a higher proportion of caravan and mobile dwellings at nearly twice local levels and over four times national levels, and while 33 caravans and mobile dwellings were recorded as permanently occupied households at the 2011 census, the current number of households in caravans and mobile dwellings is likely to be much higher. Census data is a snapshot in time and may not record the full level of turnover in temporary or alternative accommodation. Hemsby in particular has a very large area of holiday accommodation, some of which may be temporarily or permanently occupied by households, particularly since the Covid-19 pandemic and Government restrictions have impacted on travel and the tourism industry.

**Table 5-1: Accommodation type (households), Hemsby 2011**

Dwelling type		Hemsby	Great Yarmouth	England
Whole house or bungalow	Detached	62.2%	29.4%	22.4%
	Semi-detached	27.1%	23.6%	31.2%
	Terraced	7.3%	30.7%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	0.3%	10.8%	16.4%
	Parts of a converted or shared house	0.4%	3.0%	3.8%
	In commercial building	0.6%	1.3%	1.0%
Other	Caravan or mobile dwelling	2.1%	1.3%	0.4%

Source: ONS 2011, AECOM Calculations

### 5.2.3 Dwelling size

128. Table 5-2 below sets out the distribution of the number of rooms by household space. The housing stock in Hemsby is characterised by having a higher number of rooms per household than Great Yarmouth. There are fewer homes with 4 rooms or less and more homes with 5 rooms or more. This is expected given the higher proportion of detached and semi-detached homes which tend to be larger, and lower proportion of terraced homes and flats which tend to be smaller.

**Table 5-2: Number of rooms per household in Hemsby, 2011**

Number of Rooms	2011	2011
	Hemsby	Great Yarmouth
1 Room	0.1%	0.5%
2 Rooms	0.4%	1.9%

<sup>25</sup> Ibid.

3 Rooms	5.1%	8.9%
4 Rooms	17.2%	19.5%
5 Rooms	30.5%	27.7%
6 Rooms	19.4%	20.5%
7 Rooms	12.9%	9.7%
8 Rooms or more	6.7%	5.9%
9 Rooms or more	7.5%	5.4%

Source: ONS 2011, AECOM Calculations

129. It is also relevant to consider how the number of rooms occupied by households changed between the 2001 and 2011 Censuses. The main change from the 2001 Census findings is that Hemsby's housing stock added more larger homes with 5 rooms or more. This suggests that Hemsby's housing stock is becoming larger over time at a faster rate than locally or nationally.

**Table 5-3: Rates of change in number of rooms per household in Hemsby, 2001-2011**

Number of Rooms	Hemsby	Great Yarmouth	England
1 Room	-33.3%	41.1%	-5.2%
2 Rooms	66.7%	16.1%	24.2%
3 Rooms	26.3%	18.1%	20.4%
4 Rooms	-10.3%	-3.2%	3.5%
5 Rooms	4.1%	-1.5%	-1.8%
6 Rooms	27.4%	5.9%	2.1%
7 Rooms	40.0%	21.5%	17.9%
8 Rooms or more	53.4%	33.4%	29.8%

Source: ONS 2001-2011, AECOM Calculations

130. Returning to the most recent Census data, it is also useful to compare the figures for number of rooms with figures for the number of bedrooms for each household. Table 5-4 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data shows that Hemsby's housing stock is skewed towards homes with more bedrooms. This can be seen in the relative lack of one-bedroom homes, and relative abundance of four-bedroom homes. Hemsby's proportion of two and three-bedroom homes is close to average.

**Table 5-4: Number of bedrooms in household spaces in Hemsby, 2011**

Bedrooms	Hemsby		Great Yarmouth		England	
<b>All categories: no. of bedrooms</b>	<b>1,409</b>	<b>100.0%</b>	<b>42,079</b>	<b>100.0%</b>	<b>22,063,368</b>	<b>100.0%</b>
No. bedrooms	3	0.2%	79	0.2%	54,938	0.2%
1 bedroom	70	5.0%	4,467	10.6%	2,593,893	11.8%
2 bedrooms	447	31.7%	13,273	31.5%	6,145,083	27.9%
3 bedrooms	598	42.4%	17,948	42.7%	9,088,213	41.2%
4 bedrooms	250	17.7%	4,891	11.6%	3,166,531	14.4%
5 or more bedrooms	41	2.9%	1,421	3.4%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

### 5.3 SHMA findings

131. The SHMA models the size of market accommodation required in Great Yarmouth 16 years time from 2013, up to the year 2029. It projects that the need for all properties across the Borough by bedroom is: 21.7% one-bedroom, 29.5% two-bedroom, 34.9% three-bedroom, 13.9% four or more bedrooms. It also provides a size breakdown for shared ownership homes of 21.2% one-bedroom, 21.4% two-bedroom, 29.4% three-bedroom, 27.9% four or more bedrooms and for affordable rented homes of 32.6% one-bedroom, 27.3% two-bedroom, 27.7% three-bedroom and 12.4% four or more bedrooms. Therefore, the Borough-wide need reflects a considerable need for more one and two bedroom properties, a moderate need for three bedroom properties and a lower need for four bedroom properties. The need for smaller homes is particular greater for affordable rented homes. However, the figures in this report will differ as the analysis of needs for type and size is for Hemsby specifically and also looks further towards the year 2041 rather than 2029.

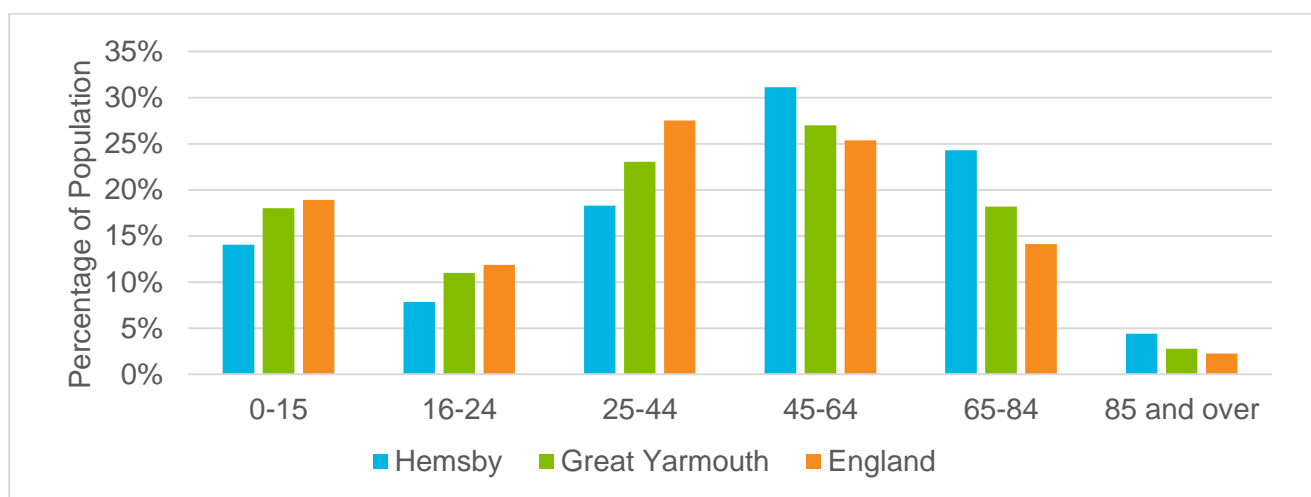
### 5.4 Household composition and age structure

132. Having established the current stock profile of Hemsby and identified recent changes in its composition, the evidence assembled below examines the composition and age structure of households in the 2011 Census and in future years. Through a consideration of the types of households projected to form over the Neighbourhood Plan period, and the mix of age groups suggested by demographic projections, it becomes possible to consider the type and size of housing needed in the Neighbourhood Plan area by the end of the planning period.

#### 5.4.1 Age structure

133. The 2011 Census data reveals that Hemsby has a considerably older population than locally or nationally. This is demonstrated in the lower proportions of residents aged under 44, which is particularly notable among the 25-44 age group (see Figure 5-1 below). However, Hemsby has higher proportions of residents aged 45-64, which means that the working age population roughly balances out on average. Hemsby has a very high proportion of residents aged 65-84 at nearly 25%, almost double the national average, and nearly 5% aged 85 or over. Coastal parts of Norfolk are very popular with retirees and this certainly reflected in the data for Hemsby.

Figure 5-1: Age structure in Hemsby, 2011



Source: ONS 2011, AECOM Calculations

134. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 the NA population has aged far more rapidly than the Borough or England at large (see Table 5-5 below). In contrast to local or national trends, there has been a stark fall in the population aged under 44, and the 11% fall in the population aged 25-44 is quite unusual. The near 14% fall in 16-24 year-olds suggests a trend towards considerable outward migration of school leavers and students. The growth in the population 45-64 has been robust at near national levels. There has been very high growth in the population aged 65 or over at over 40%, this is likely to create considerable upward pressure on demand for specialist housing for older people, as discussed in the next chapter.

**Table 5-5: Rate of change in the age structure of Hemsby population, 2001-2011**

Age group	Hemsby	Great Yarmouth	England
0-15	-3.2%	1.0%	1.2%
16-24	-13.5%	25.5%	17.2%
25-44	-11.1%	-3.3%	1.4%
45-64	16.9%	9.9%	15.2%
65-84	43.7%	13.2%	9.1%
85 and over	42.6%	21.1%	23.7%

Source: ONS 2001-2011, AECOM Calculations

#### 5.4.2 Household composition

135. Household composition (i.e. the mix of adults and children in a dwelling) is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
136. In assessing Census data on household composition, we see that Hemsby differs from the LA in that there are fewer one person households than locally or nationally, except for those aged 65 and over (Table 5-6). Among family households, more are all aged 65 and over, at almost double national levels. The proportion of households with dependent children is notably lower than average and consequently there are more families with no children. This distribution reflects an older than average population and fewer families with children than would be typically be expected. Note that non-dependent children refer to households in which adult children are living at home, or students still call their primary residence despite living for most of the year near to university. Though this category can often indicate the relative unaffordability of entry-level homes in an area as many such young people may wish to move out and form their own households if they were financially able.

**Table 5-6: Household composition (by household), Hemsby, 2011**

Household composition		Hemsby	Great Yarmouth	England
<b>One person household</b>	<b>Total</b>	<b>25.6%</b>	<b>29.9%</b>	<b>30.2%</b>
	Aged 65 and over	15.0%	14.8%	12.4%
	Other	10.5%	15.0%	17.9%
<b>One family only</b>	<b>Total</b>	<b>69.5%</b>	<b>63.9%</b>	<b>61.8%</b>
	All aged 65 and over	14.7%	10.3%	8.1%
	With no children	23.7%	18.3%	17.6%
	With dependent children	21.1%	25.4%	26.5%
	All children Non-Dependent <sup>26</sup>	9.9%	9.9%	9.6%
<b>Other household types</b>	<b>Total</b>	<b>5.0%</b>	<b>6.2%</b>	<b>8.0%</b>

Source: ONS 2011, AECOM Calculations

137. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001 and 2011, the main changes in household composition were a relatively average increase in one person households and a high increase in family households (see Table 5-7). However, most of the growth in family households was distributed towards those all aged over 65 and over or with no children, rather than those with children.

<sup>26</sup> Refers to households containing children who are older than 18 e.g students or young working people living at home.

**Table 5-7: Rates of change in household composition, Hemsby, 2001-2011**

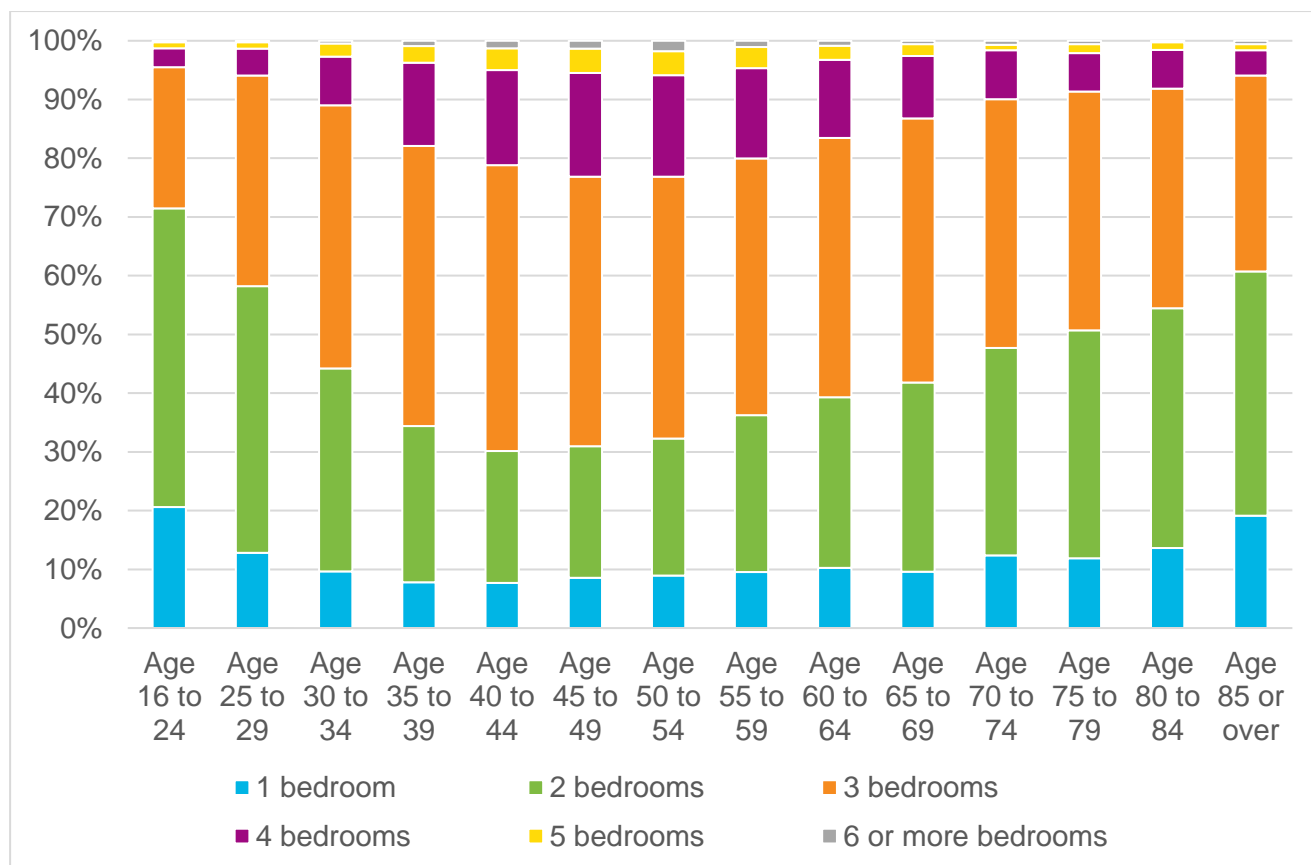
Household type		Percentage change, 2001-2011		
		Hemsby	Great Yarmouth	England
<b>One person household</b>	<b>Total</b>	<b>12.5%</b>	<b>2.8%</b>	<b>8.4%</b>
	Aged 65 and over	6.0%	-8.9%	-7.3%
	Other	23.3%	17.8%	22.7%
<b>One family only</b>	<b>Total</b>	<b>16.4%</b>	<b>6.4%</b>	<b>5.4%</b>
	All aged 65 and over	27.0%	1.2%	-2.0%
	With no children	30.0%	6.3%	7.1%
	With dependent children	1.4%	5.2%	5.0%
	All children non-dependent	10.2%	16.0%	10.6%
<b>Other household types</b>	<b>Total</b>	<b>18.6%</b>	<b>39.9%</b>	<b>28.9%</b>

Source: ONS 2001-2011, AECOM Calculations

## 5.5 Dwelling mix determined by life-stage modelling

138. Recognising the fact that households of different ages may have different housing needs, the housing mix needed to meet demographic change by the end of the Plan period is estimated by an approach based on current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in households aged under 24 will lead to an increase in the need for the type of housing currently occupied by households of that age.
139. It is important to keep in mind that this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the propensity of households to occupy more or less space than they 'need'. This approach also embeds existing patterns of occupancy which may or may not be desirable. This is particularly important to keep in mind in areas where housing affordability has worsened because it means that many households are forced to occupy less space than they need or want.
140. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LA-level data needs to be used as the closest proxy.
141. Figure 5-2 below sets out the relationship in the 2011 Census at LA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that in Great Yarmouth, the greatest need for larger dwellings with three or four bedrooms is among the older working age population. The youngest households tend to have a greater need for one and two bedroom dwellings, but as families have children, there is often a need to increase the number of bedrooms. However, as soon as children start to leave home, households prefer to downsize at increasing rates. By the age of 65 there is quite a rapid trend towards downsizing in favour of one and two bedroom dwellings.

Figure 5-2: Age of household reference person by dwelling size in the Borough of Great Yarmouth, 2011



Source: ONS 2011, AECOM Calculations

142. Household projections provided by MHCLG are then used to understand the future distribution of households by the age of the HRP. Again, this data is only available at the Local Authority level and for the years 2018 and 2043. Therefore, the distribution of households by the age of the HRP would be in 2041 is estimated, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 5-8 below.

Table 5-8: Projected distribution of households by age of HRP, the Borough of Great Yarmouth

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	1,497	4,922	14,372	7,817	13,471
2018	1,288	4,943	13,778	7,607	15,734
2041	1,149	4,763	13,251	8,103	22,019
2043	1,137	4,747	13,205	8,146	22,565

Source(s): MHCLG 2014-based household projections, ONS 2011, AECOM Calculations

143. It is then necessary to extrapolate from this Local Authority-level data an estimate of the corresponding change in the age structure of the population in Hemsby. To do so, the percentage increase expected for each group across the Borough of Great Yarmouth, derived from the data presented above was mapped to the population of Hemsby. The results of this calculation are detailed in Table 5-9 below:

Table 5-9: Projected distribution of households by age of HRP, Hemsby

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	17	85	428	337	542
2018	15	85	410	328	633

2041	13	82	395	349	886
% change 2011-2041	-23%	-3%	-8%	4%	63%

Source: AECOM Calculations

144. Finally, having established the likelihood shown by households at different life-stages towards dwellings of different sizes in Figure 5-2, and the approximate number of households in the Borough of Great Yarmouth and Hemsby falling into each of these stages by the end of the Plan period in 2041, it is possible to estimate how the housing stock might evolve in terms of size over the Neighbourhood Plan period in response to demographic change (see Table 5-10 below).
145. The table takes in turn each projected age group in 2041, estimating how many of the households in that age bracket will want or need to occupy each size of dwelling. This is repeated for each age bracket and added together to arrive at an estimation of what proportion of each size of dwelling will be required overall.

**Table 5-10: Ideal dwelling size distribution in Hemsby by the end of the Plan period, based on modelled household life-stages (totals may not sum due to rounding)**

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Households	13	82	395	349	886	1,725
1 bedroom	3	9	33	35	113	192
2 bedrooms	7	33	93	98	328	558
3 bedrooms	3	33	184	154	359	733
4 bedrooms	0	5	65	50	68	189
5+ bedrooms	0	2	20	14	17	53

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

146. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 5-10 above modelling the change in the age structure of the population in Hemsby.
147. Table 5-11 below indicates that, by 2041, the size distribution of dwellings should be as follows. There is justification to significantly increase the number of smaller dwellings, especially one-bedroom dwellings.

**Table 5-11: 2011 housing sizes compared to ideal distribution at end of Plan period, Hemsby**

Number of bedrooms	2011		2041	
1 bedroom	70	5.0%	192	11.2%
2 bedrooms	447	31.7%	558	32.3%
3 bedrooms	598	42.4%	733	42.5%
4 bedrooms	250	17.7%	189	11.0%
5 or more bedrooms	41	2.9%	53	3.1%
<b>Total households</b>	<b>1,409</b>	<b>100.0%</b>	<b>1,725</b>	<b>100.0%</b>

Source: Census 2011, AECOM Calculations

148. Table 5-12 below sets out the estimated misalignment between future demand for housing, based on the modelled preferences of households at different life-stages, and the current stock available in the Neighbourhood Plan area.

**Table 5-12: Future potential misalignments of supply and demand for housing, Hemsby**

Number of bedrooms	2011	2041	Change to housing mix	Recommended split
1 bedroom	70	192	122	32.2%
2 bedrooms	447	558	111	29.2%
3 bedrooms	598	733	135	35.5%
4 bedrooms	250	189	-61	0.0%
5 or more bedrooms	41	53	12	3.1%

Source: AECOM Calculations

149. The result of this life-stage modelling exercise is to suggest that, in terms of demographic change, new development might involve the following share of dwelling sizes: 32.2% as 1 bedroom, 29.2% as two bedrooms, 35.5% as three bedrooms, 0% as four bedrooms and 3.1% as 5 or more bedrooms.
150. Note that the changes to the housing mix given above for 4-bedroom dwellings are negative numbers. Because in light of the national and local housing shortage, it is rarely advisable or practicable to remove dwellings from the available stock, as would otherwise be suggested here for dwellings with three or more bedrooms, we have instead set the recommended split at 0% rather than a negative number, and rebalanced the other sizes as percentages of the additional dwellings they represent in total. In other words, the interim results of the life-stage modelling suggest that there will be no need for further 4-bedroom dwellings over the Neighbourhood Plan period. It is important to stress that there may be other good reasons to provide a particular size or type of dwelling in the NA, for example the need to improve the mix of homes in a particular location, improving choice or meeting needs in the wider housing market area.
151. Note that only the percentage mix in the right-hand column is relevant to the purposes of this HNA and the neighbourhood planning process. The actual numbers of dwellings required to adjust the size mix do not reflect that actual quantity of housing needed in the NA and are simply a step in the calculation necessary to produce a percentage split. As a general point, this dwelling mix in percentage terms stands alone from the overall quantity of housing needed or allocated over the Plan period, and could equally apply to windfall development, allocations beyond the plan period, or any other source of housing supply.

## 5.6 Conclusions- Type and Size

152. This analysis provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the characteristics of the existing stock of housing, the role of the NA or site within the wider housing market area (linked to any LA strategies or plans) and site specific factors which may justify a particular dwelling mix.
153. Compared with the Borough of Great Yarmouth and England, Hemsby is characterised by a far greater proportion of detached houses at around 62% of the housing stock. This is more than double the expected proportion at the local level, and nearly three times the national level. The quantity of semi-detached homes is nearer average and falls roughly halfway between local and national levels. There are few terraced houses at roughly a quarter of local levels and a third of national levels. Hemsby has very few flats. The village hosts a higher proportion of caravan and mobile dwellings at nearly twice local levels and over four times national levels.
154. The data shows that Hemsby's housing stock is skewed towards homes with more bedrooms. This can be seen in the relative lack of one-bedroom homes, and relative abundance of four-bedroom homes. Hemsby's proportion of two and three-bedroom homes is close to average.
155. The 2011 Census data reveals that Hemsby has a considerably older population than locally or nationally. This is demonstrated in the lower proportions of residents aged under 44, which is particularly notable among the 25-44 age group. However, Hemsby has higher proportions of residents aged 45-64, which means that the working age population roughly balances out as average. Hemsby has a very high proportion of residents aged 65-84 at nearly 25%, almost double the national average, and nearly 5% aged 85 or over. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 NA population has aged far more rapidly than the Borough or England at large. There has been very high growth in the population aged 65 or over at over 40%, this



is likely to create considerable upward pressure on demand for specialist housing for older people, as discussed in the next chapter.

156. The result of the life-stage modelling is a recommendation that development might involve the following share of dwelling sizes: 32.2% as 1 bedroom, 29.2% as two bedrooms, 35.5% as three bedrooms, 0% as four bedrooms and 3.1% as 5 or more bedrooms.

## 6. RQ 3: Specialist housing for older people

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

### 6.1 Introduction

157. This chapter considers in detail the specialist housing needs for older and disabled people in Hemsby. It considers the quantity, tenure and size of dwellings that might be required. It is important to keep in mind that there is no formal definition of 'old age'. People experience ageing differently and much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age whilst others may need support and care much earlier in their lives. It is useful to think of two main stages in later life: the '3<sup>rd</sup> age' – where people are healthy and active and may or may not continue to work and the '4<sup>th</sup> age' – where older people need care and support to meet their health needs.<sup>27</sup> These two stages are not necessarily related to age though most people in advanced old age (85+) will need care or support at some point in their lives. The housing needs of these two groups can be markedly different.
158. In the Planning Practice Guidance (PPG), the Government states that plans need to provide for specialist housing for older people where a need exists. Innovative and diverse housing models will need to be considered where appropriate.<sup>28</sup>
159. It is important to note that, as stated in the PPG, the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the overall (i.e. the total) housing need figure. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method.<sup>29</sup>
160. In considering the need or demand for specialist housing for older people it is appropriate to consider the population aged 75+ since this group is more likely to access this type of housing. The needs of this sector of the population have been assessed through two methods. The first is a tenure-led projection, based on the tenure of dwellings typically occupied by people in this age group. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network's (HLIN) Strategic Housing for Older People (SHOP) tool<sup>30</sup>, which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
161. Housing needs assessment covers the need for houses that fall for the purposes of the planning system into Use Class C3 (private dwellings)<sup>31</sup>. Any assessment of need for residences that fall into Use Class C2 (residential institutions, which include prisons, boarding schools and some care homes for the elderly) would be a separate exercise outside the scope of a standard HNA. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. In some cases, extra care schemes, particularly those where independent living is emphasised and care provision is more limited, will be counted as C3. However, in other cases, particularly where care provision is higher, they will be counted as C2. There is no hard and fast rule- clear differentiation between the two has not been set in government policy.
162. As such, existing and future specialist housing for older people may be either C2 or C3, but the important point is that it is not possible to state definitively at the time of assessment whether any new provision forecast to be needed on the basis of current evidence will fall into use class C2 or C3. The distinction is important because accommodation in

<sup>27</sup> University of Sheffield & DWELL (2016) Designing with Downsizers

<sup>28</sup> See Paragraph: 012 Reference ID: 63-012-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

<sup>29</sup> See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

<sup>30</sup> Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

<sup>31</sup> For a full description of Planning Use Classes, please refer to [https://www.planningportal.co.uk/info/200130/common\\_projects/9/change\\_of\\_use](https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use)

C2 buildings does not count towards the overall housing target for the neighbourhood plan areas whereas C3 accommodation units do. Therefore, it is not possible to state at this point the extent of overlap, if any, between the overall quantity of specialist housing forecast to be required and the overall housing quantity figure for the plan area.

## 6.2 Housing for older people - context

163. MHCLG's guidance on housing for older and disabled people states that the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million.
164. Almost a third of UK homes are occupied by the 55+ age group, yet only 7% of UK stock is currently recognised as meeting minimum accessibility standards, which means few older people can find options that will improve their quality of life. This is reflected in evidence that just 3.4% of 50+ households move home each year, which is half as many moves as rest of population. Perhaps surprisingly, just under half of moves result in fewer habitable rooms because many older people need or want to retain space for activities, to retain a life time of possessions, accommodating visitors or caring for grandchildren. For some, social status can be a in deciding to move to a home with significantly fewer rooms.<sup>32</sup>
165. The concept of 'rightsizing' (formally referred to as downsizing) recognizes that the situations, desires and needs of the older population are no less diverse than their family circumstances. The actual choices available to older people, however, are limited to the housing provisions that are both available and accessible to them. Not surprisingly the vast majority of older people currently tend to age in place until circumstances mean their home environment becomes a decisive barrier to their well-being. Research indicates that very few properties are designed to support ageing in place (see below). Thus whilst many people do not wish to move home, there is also evidence that there is large scale unmet demand to move<sup>33</sup> with many older people stuck in a 'rightsizing gap'.<sup>34</sup>
166. A Demos survey of over 60s conducted in 2013 found a "considerable appetite" amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.<sup>35</sup>
167. Indeed, 76% of those in homes of three or more bedrooms wished to rightsize, and this increased to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.<sup>36</sup> However, in spite of evidence of high demand, currently only 5% of older people's housing is made up of specialist homes,<sup>37</sup> with Demos suggesting that, "the chronic under-supply of appropriate housing for older people is the UK's next housing crisis",<sup>38</sup> and local authorities are often, "accused of reluctance to approve development plans for specialist housing....out of fear of increased care costs".<sup>39</sup> Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately do is likely to be relatively low, and many who downsize may move into mainstream housing.
168. Offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an understanding of how the ageing population in Hemsby affects housing needs is something to be considered from the early stages of plan-making through to decision-taking.<sup>40</sup>
169. The need to access housing with support or care is often driven by health considerations, particularly disabilities. Disabilities can include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs, which may generate a range of housing requirements which can change over time. Unsuitable housing or housing which is not capable of adaptation can have a negative impact on occupants and their carers. Disability is strongly linked to age and an ageing population will see the numbers of disabled people continuing to increase. It is important to plan early to meet their needs throughout their lifetime.

<sup>32</sup> Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

<sup>33</sup> Pannell et al., 2012

<sup>34</sup> Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

<sup>35</sup> <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

<sup>36</sup> Ibid.

<sup>37</sup> [https://www.housinglin.org.uk/\\_assets/Resources/Housing/OtherOrganisation/for-future-living\\_Oct2014.pdf](https://www.housinglin.org.uk/_assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf)

<sup>38</sup> <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

<sup>39</sup> <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

<sup>40</sup> Available at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

170. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both market housing and more specialist accommodation. The latest PPG<sup>41</sup> adopts the following planning approach:
- a. Where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the National Planning Policy Framework) to help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:
    - i. M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement)
    - ii. M4(2) Category 2: Accessible and adaptable dwellings
    - iii. M4(3) Category 3: Wheelchair user dwellings
  - b. Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site specific factors.
171. In the case of Hemsby, this HNA, together with any local housing survey conducted will form the evidence required to justify policies proposing the Category 2 or 3 standards above for both market and affordable housing and the two main types of specialist housing for older people - sheltered housing and extra care (see Appendix B for definitions).
172. In 2014, there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.<sup>42</sup> This situation reflects historic patterns of development, significant constraints on the delivery of such housing in the market sector as well as changing aspirations and expectations amongst older people today in comparison with previous generations.
173. Local planning authorities can plan for older co-housing communities through their implementation of the Self-build and custom-build legislation 2015<sup>43</sup>, as some communities will be looking to build the development themselves. Local authorities can also identify sites suitable for older co-housing communities as part of their overall assessment of land available for housing over the plan period.<sup>44</sup>
174. Given that the vast majority of people over 75 live in their own homes, but that the current stock is primarily for social rent, AECOM has developed a 'tenure-led' approach to calculating the need for specialist housing, which also takes into account the health and mobility of population of the Neighbourhood Plan area so as to develop projections for future need for specialist housing provided with some level of care or other services.

## 6.3 Approach

175. In accordance with NPPF guidance, this chapter applies a three stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of elderly people in the Neighbourhood Plan area, and Census data relating to mobility limitations and overall health.<sup>45</sup> These are then compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across the Borough of Great Yarmouth.
176. Clearly, this calculation represents an assumption, with the actual decision for an older or disabled person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of older people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of older people currently choose to continue to live in their homes for their entire lives.

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<sup>41</sup> Housing for Older and disabled people, Guidance June 2019, MHCLG

<sup>42</sup> [https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb\\_july14\\_housing\\_later\\_life\\_report.pdf](https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf)

<sup>43</sup> <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

<sup>44</sup> See Paragraph: 011 Reference ID: 63-011-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

<sup>45</sup> <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

177. The charity Age UK suggests that “inaccessible housing should not force anyone out of their home or local community against their wishes. It’s much better to have ‘pull factors’ that attract older people towards housing alternatives.”<sup>46</sup> By understanding the tenure breakdown of specialist housing need, it is possible to better understand the extent to which demand will be a factor in this market segment.

### 6.3.1 Current supply of specialist housing for older people

178. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. There are a number of ways to do this. Data may be available within the Borough of Great Yarmouth’s housing evidence base. Alternatively, data may be collated manually on the amount of specialist housing within a given area using the search function on the Elderly Accommodation Counsel’s Website: <http://www.housingcare.org>.

179. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.<sup>47</sup> This is because for the purposes of the UK planning system, such institutions occupy a different land-use class from other housing (use class C2, which comprises residential institutions, versus C3, which comprises private dwellings)<sup>48</sup>. However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this Housing Needs Assessment. Having said this, we will note the existing provision of such institutional accommodation where it exists in Hemsby.

180. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Hemsby, it identified no residents living in care homes with nursing and 109 in care homes without nursing.<sup>49</sup>

181. Given that communal establishments (care homes) are generally outside the scope of housing needs assessments for the reasons described above, these are discounted from this analysis, and the remaining specialist housing for the older, which should be within use class C3 and thus within the scope of this assessment, is presented in Table 6-1 below. This gives a total of **46** specialist dwellings (or bed spaces), for a 2011 population aged 75+ of **456**. This suggests the actual rate of provision in Hemsby is approximately **101** dwellings per 1000 population aged 75+.

**Table 6-1: Existing specialist housing for the elderly (excluding care homes) in Hemsby**

	Name	Description	Bed spaces	Tenure	Type
1	St Marys Close	Retirement bungalows with off-site staff	39	Rent (social landlord)	Bungalows
2	St Marys Close (2)	Age exclusive bungalows	7	Rent (social landlord)	Bungalows

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

### 6.3.2 Tenure-led projections

182. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across the Borough of Great Yarmouth, as this is the smallest geography for which tenure by age bracket data is available. The age cohort-based approach is taken because it is these households which, over the next 20 years, will be reaching the age of 75+, where the need for specialist housing provision is more likely. The existing tenure split within this cohort is used to project forward the need for specialist housing according to different tenure.

183. The projection is based on the premise that those currently occupying their own home will also 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 accommodation of some kind.

184. According to Table 6-2 below, the tenure of households aged 55-75 is 76% owned and 24% rented. Of those renting, a greater proportion are social tenants rather than private tenants.

<sup>46</sup> See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

<sup>47</sup> Further details on the definition of different types of housing within the English planning system are available at <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

<sup>48</sup> See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

<sup>49</sup> ONS, 2011 (KS405EW)

**Table 6-2: Tenure of households aged 55-75 in the Borough of Great Yarmouth, 2011**

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
75.9%	56.6%	19.4%	24.1%	15.1%	7.8%	1.2%

Source: Census 2011

185. The next step is to project how the overall number of older people in Hemsby is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for the Borough of Great Yarmouth at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 6-3 below.
186. This calculation indicates that the number of people aged over 75 is set to increase from 456 to 873, or a rise of 417. The population over 75 will go from 14% to 25% of the population over the plan period.

**Table 6-3: Modelled projection of elderly population in Hemsby by end of Plan period**

Age group	2011		2041	
	Hemsby (Census)	Great Yarmouth (Census)	Hemsby (AECOM calculation)	Great Yarmouth (ONS SNPP 2018)
All ages	3,275	97,277	3,575	106,189
75+	456	9,514	873	18,210
%	13.9%	9.8%	24.4%	17.1%

Source: ONS SNPP 2018, AECOM Calculations

187. The results of this exercise provide us with a projection of the number of people in Hemsby living in each tenure in the 55-75 cohort by 2011, as shown in the table below. This projection is calculated by multiplying the projected number of people aged 75 and over by the end of the Plan period by the tenure split for the Borough of Great Yarmouth presented in Table 6-2 above, and is set out in Table 6-4 below.
188. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2041, and consequently the number of specialist units they might need, the growth in the overall population of those aged 75 is used. To calculate the number of households from the population, the average household size of those aged 75+ in Great Yarmouth in 2011 is then used. At the 2011 Census there were 9,514 individuals occupying 6,893 households, therefore with an average occupancy rate of 1.38 individuals per household. The total growth in the population aged 75+ of 417 is divided by 1.38, meaning that the forecast growth in households aged 75+ is therefore 302.

**Table 6-4: Projected tenure of households aged 75+ in Hemsby to the end of the Plan period**

Owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living rent free
229	171	58	73	46	23	4

Source: Census 2011, ONS SNPP 2018, AECOM Calculations

189. Next the incidence of mobility limitations is considered, as defined by the Census, within each tenure group for those aged 65+ in Hemsby. This allows us to link the levels of need (as defined by extent of mobility limitations within the population) to tenure (based on the premise that such needs can be used as a proxy for the need for specialist housing in this age group).
190. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at

earlier stages in their lives. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector.

**Table 6-5: Tenure and mobility limitations of those aged 65+ in Hemsby, 2011**

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
<b>All categories: Tenure</b>	<b>835</b>	<b>236</b>	<b>28.3%</b>	<b>221</b>	<b>26.5%</b>	<b>378</b>	<b>45.3%</b>
<b>Owned or shared ownership: Total</b>	<b>727</b>	<b>191</b>	<b>26.3%</b>	<b>193</b>	<b>26.5%</b>	<b>343</b>	<b>47.2%</b>
Owned: Owned outright	643	176	27.4%	163	25.3%	304	47.3%
Owned: Owned with a mortgage or loan or shared ownership	84	15	17.9%	30	35.7%	39	46.4%
<b>Rented or living rent free: Total</b>	<b>108</b>	<b>45</b>	<b>41.7%</b>	<b>28</b>	<b>25.9%</b>	<b>35</b>	<b>32.4%</b>
Rented: Social rented	48	24	50.0%	14	29.2%	10	20.8%
Rented: Private rented or living rent free	60	21	35.0%	14	23.3%	25	41.7%

Source: DC3408EW Health status

191. Focusing on those whose activities are limited a lot, the calculations suggest that of the 73 renters and 229 owners in Hemsby in this age group, there could be a need for 60 specialist homes for owner occupiers (26.3% x 229) and 30 for renters of all kinds (41.7% x 73), or 91 new specialist homes in total.
192. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

**Table 6-6: AECOM estimate of specialist housing need in Hemsby by the end of the Plan period**

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	91
	30	60	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	80
	19	61	

<b>Total</b>	<b>49</b>	<b>121</b>	<b>170</b>
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Source: Census 2011, AECOM Calculations

193. The number of households falling into potential need for specialist accommodation is therefore 170 which is 56.3% of the additional 302 households aged 75 and above projected to live in Hemsby by the end of the Plan period.

### 6.3.3 Housing LIN-recommended provision

194. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the respected models for planning for the housing needs of older people. In Table 6-7 below we reproduce the key table from their Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide, based on best practice research, to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

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

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

Source: Housing LIN SHOP Toolkit

195. As Table 6-3 shows, Hemsby is forecast to have an increase in over-75 population of 417 by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent =  $60 \times 0.417 = 25$
- Leasehold sheltered housing =  $120 \times 0.417 = 50$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) =  $20 \times 0.417 = 8$
- Extra care housing for rent =  $15 \times 0.417 = 6$
- Extra care housing for sale =  $30 \times 0.417 = 13$
- Housing based provision for dementia =  $6 \times 0.417 = 3$

196. This produces an overall total of **105** specialist dwellings which might be required by the end of the plan period. This can be compared to the current stock of specialist housing in Table 6-1 to indicate the likely shortfall of different types of accommodation (see conclusions below).

197. Table 6-8 below sets out the HLIN recommendations in the same format as Table 6-6 above. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates. This means that the requirements expressed by the SHOP toolkit are higher than those implied by a straightforward projection based on the growth of the over 75 population.

**Table 6-8: HLIN estimate of specialist housing need in Hemsby by the end of the Plan period**

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	30
	13	17	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	75
	25	50	
<b>Total</b>	<b>38</b>	<b>67</b>	<b>105</b>

Source: Housing LIN, AECOM calculations

## 6.4 Conclusions- Specialist Housing for the Older People

198. In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose lives are limited 'a little' in Table 6-6 (80) with 'sheltered housing' in Table 6-8 (75), even though both types of housing address the needs of those with relatively limited support needs. This is because there is a range of housing suitable for this group of the population including mainstream housing, whereas the HLIN identifies only sheltered housing specifically.
199. A more accurate result, therefore, can be achieved by comparing the 91 dwellings identified in the tenure-led approach for those who require housing with care with the 105 specialist dwellings that emerge from the HLIN calculations. By contrast, the 170 dwellings figure in the tenure-led projections is also based on those whose day-to-day needs are limited only a little, and whose housing needs therefore have the potential to be provided through adaptations to a conventional home.
200. For this reason, our recommendation would be to treat the outcome of these approaches as a range, with at least 91 specialist dwellings being required to service the needs of older people over the Plan period, and the projection of 105 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.
201. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
  - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
  - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
202. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
203. It is considered that Hemsby is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Hemsby in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.



## 7. RQ 4: Economy and tourism

### ***RQ 4: How should the Hemsby Neighbourhood Plan support Hemsby's economy and tourism sector?***

#### 7.1 Introduction

204. Hemsby is a tourism destination and a large part of the NA is dedicated to the tourism industry. The eastern part of the NA is characterised by a very large cluster of holiday accommodation, stretching from the historic village core eastwards to the North Sea coastline. The capacity of this area makes Hemsby one of the largest coastal resorts in Norfolk and the East of England. The retention of this tourism economy is key for the Neighbourhood Plan because much of Hemsby's employment and prosperity stems from the influx of visitors.
205. The Covid-19 Pandemic has had major impacts on the travel industry. Firstly, Government restrictions have at times made holidays and non-essential travel impossible. During these periods, businesses have had to rely on Government support to subsist without their usual revenues. The Covid-19 Pandemic is likely to have broader long-term macro-economic implications that are yet to fully materialise. These may include impacts on key economic factors such as business investment, household debt and spending, unemployment and the wage market.
206. Perhaps more positively for the domestic tourism industry, when holidays have been possible, domestic holidays have been much easier to go on rather than holidays abroad. Domestic tourism was experiencing sustained growth in the years up to 2019.<sup>50</sup> Some of the obvious reasons for this increase include the difficulty in travelling abroad because of travel bans or quarantine restrictions, the impact of Brexit and the relative weakness of Pound Sterling in recent years.
207. Hemsby is well-positioned to take advantage of any rebound in domestic tourism, which is anticipated to take place in Spring and Summer 2021. The Government is continuing to follow its re-opening plan announced in February, and domestic travel for holidays was allowed as of the 12<sup>th</sup> April. Specifically, campsites, caravans, boats, second homes or other self-contained accommodation are now able to host holidays. Should the UK's vaccination programme for adults continue as planned and the situation continue to improve, further re-opening of accommodation can be anticipated on 17<sup>th</sup> May and full relaxation of restrictions from 21<sup>st</sup> June.
208. Note that some of the information in this chapter is anecdotal and has been provided by the Neighbourhood Plan Steering Group. We advise that further data gathering may be necessary to justify any Neighbourhood Plan policies.

#### 7.2 Hemsby's tourism offering

209. The majority of holiday accommodation in Hemsby consists of self-catered units on holiday parks. These typically take the form of 'chalets', small single storey buildings typically large enough to host one family. The chalets are run by holiday park companies which provide basic utilities and security but generally do not offer in-person hospitality services. This sector is therefore more adapted to the needs for social distancing at the current time. It is reasonable to anticipate that over the short-term this will place Hemsby at an advantage in comparison to other tourism destinations where much of the accommodation consists of hotels, hostels, guest houses or bed and breakfasts which may experience greater restrictions for longer and also appeal less to holidaymakers.
210. The closure of the Pontins site in 2008 had a considerable impact on tourism in Hemsby with a reported decline in business over the following years. However, it is noted that this was also a recessionary period, Pound Sterling was stronger, and European package holiday prices and airfares had also been markedly lowered by fierce competition in the aviation and tourism sector during the 2000s. Many of these trends have since reversed, accelerated by the Covid-19 pandemic. Commercial aviation has experienced its greatest period of disruption in its history during the Covid-19 pandemic, with flights to popular European holiday destinations from the UK largely cancelled, and major restructuring is likely in the industry over the coming years. In addition, the package holiday business model has struggled to adapt to shifts in the travel sector towards the digital booking of accommodation and holidays, contributing to the financial collapse of household name holiday firms in recent years.
211. Hemsby may also be suitably adapted for broader changes in consumer behavior. Self-catered accommodation can now be booked flexibly and directly with the owner or management company online. Many consumers no longer wish to book holidays in more traditional ways, such as through travel agents, telephone bookings or hotel companies. The advent of websites which enable people to offer their properties for short-term holiday lets has revolutionised the travel

<sup>50</sup> See [https://www.visitbritain.org/sites/default/files/vb-corporate/england\\_holiday\\_trips\\_2019.pdf](https://www.visitbritain.org/sites/default/files/vb-corporate/england_holiday_trips_2019.pdf)

sector. Given that Hemsby's accommodation tends to be more flexible rather than fixed, it is more adaptable to cope with the uncertain economic outlook and shifts towards online sales.

212. Hemsby largely appeals to families and its offering is currently geared towards this sector, such as providing facilities for children including playgrounds and amusement rides. However, the family sector is highly seasonal because of school terms. Appealing to different sections of the tourism market would improve the resilience of the tourism sector and ensure that it becomes attractive year-round. This may also require updating outdated products and adapting to the current market conditions. The Neighbourhood Plan Steering Group is particularly interested in encouraging more flexible uses such as outdoors event spaces, food and drink markets and open-air stalls. All of these outdoor uses have seen growing popularity in recent years and are particularly relevant because they are more suited to Covid-19 restrictions.
213. The Neighbourhood Plan group also wishes that Hemsby should be better advertised as a day trip destination in close proximity to other major tourism attractions in Norfolk. Other resort towns such as Cromer are nearby and Norwich is a city which attracts many domestic and international visitors. The Broads National Park extends into the NA, and Hemsby could also become a gateway into the National Park for visitors. Day visitors would ease economic issues caused by seasonal employment because some of the holiday accommodation is likely to still have quiet periods during cold weather or school terms.
214. Hemsby and Great Yarmouth has faced increasing housing affordability issues in recent years. This report has found a notably high need for affordable housing of 395 homes. This has been borne out by increasing demand on Hemsby's holiday accommodation for permanent residences. Many local people have been using holiday chalets as a form of affordable accommodation. It is difficult to capture data on how high the incidence of this permanent occupancy has become. Strictly speaking, holiday park licenses would typically disallow the accommodation from being permanently occupied. However, it is understood that some holiday park owners have made arrangements with GYBC to allow people to stay on in this accommodation on a permanent basis. Hemsby has a much higher proportion of residents living in caravans or mobile dwellings than the national average. Holiday chalets offer similarly low running costs and rents so it is likely that these are supplementing the restricted supply of land for caravans and mobile dwellings.

## 7.3 Planning Policy Context

215. The relevant parts of the planning policy context in Chapter 2 for economy and tourism are listed below.

### 7.3.1 Policies in the adopted Great Yarmouth Local Plan: Part 1

**Table 7-1: Summary of the Borough of Great Yarmouth adopted policies having most relevance to economy and tourism**

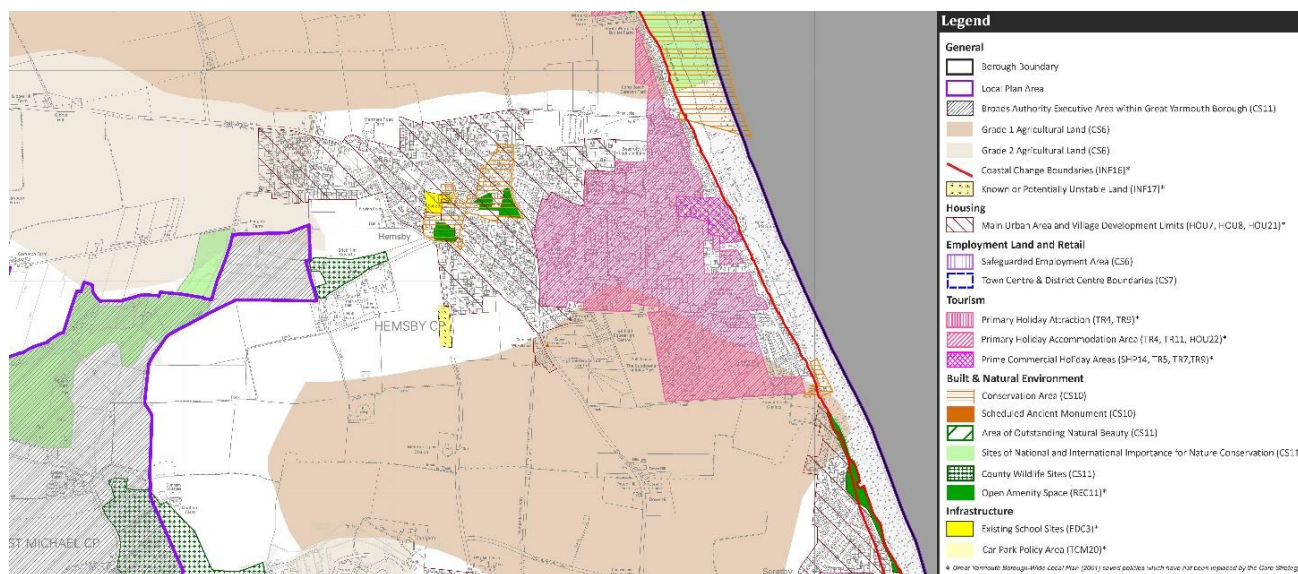
Policy	Source	Provisions
Policy CS8 – Promoting tourism, leisure and culture	Adopted Great Yarmouth Local Plan Part 1	The council will safeguard the existing stock of visitor holiday accommodation, especially those within designated holiday accommodation areas.
Policy HOU22 – Primary Holiday Accommodation Areas	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Within Primary Holiday Accommodation Areas the conversion or change of use of properties to permanent residential uses will not be permitted. Outside of these areas, proposals to change the use of holiday flats to permanent residences will be permitted subject to Policy TR12 and Policy HOU23.
Policy TR4 – Tourist facilities, attractions and accommodation	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Proposals to change the use of tourist facilities, attractions or accommodation to purposes which are not tourist-related will not be permitted within Primary Holiday Accommodation and Primary Holiday Attraction Areas.
Policy TR5 – Character of holiday areas	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	The Council will preserve and enhance the existing character of holiday areas by ensuring they are not spoilt by over-development. Certain commercial uses will only be permitted in the Prime Commercial Holiday Areas.

Policy	Source	Provisions
Policy TR7 – New visitor facilities in Prime Commercial Holiday Areas	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	Proposals for new visitor facilities and attractions may be permitted in the Prime Commercial Holiday Area of Hemsby.
Policy TR11 – Loss and improvement of holiday accommodation	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	The Council will permit developments which improve the range of good quality holiday accommodation. Within Primary Holiday Accommodation Areas, the loss of holiday accommodation will only be permitted where it can be demonstrated that an alternative use would be of the overall benefit to the tourism industry.
Policy TR26 – Hemsby Marrams Management Area	Schedule of Remaining 2001 Borough-Wide Local Plan Policies	The Council will protect the Hemsby Marrams Management Area by not permitting the replacement of, or extensions to, existing holiday bungalows or other inappropriate development.

Source: Great Yarmouth Borough Council

216. The policy map below in Figure 2-2 shows where adopted policies apply in different parts of Hemsby.

Figure 7-1: Adopted Local Plan policies map – Hemsby inset



### 7.3.2 Policies in the emerging Great Yarmouth Local Plan: Part 2<sup>51</sup>

Table 7-2: Summary of the Borough of Great Yarmouth adopted policies having most relevance to economy and tourism

Policy	Source	Provisions
Policy GSP4: New development in Coastal Change Management Areas	Emerging Great Yarmouth Local Plan: Part 2	Land to the seaward side of the Coastal Management Area Line identified in the emerging Policies Map is defined as a Coastal Change Management Area. Development will be carefully controlled to manage the effects of coastal erosion and change.
Policy HY1: Land at Former Pontins Holiday Camp, Hemsby	Emerging Great Yarmouth Local Plan: Part 2	Land at the former Pontins Holiday Camp is allocated for 190 dwellings together with tourism and retail facilities. This should include a mix of housing types and sizes, including a minimum of 20% affordable dwellings.

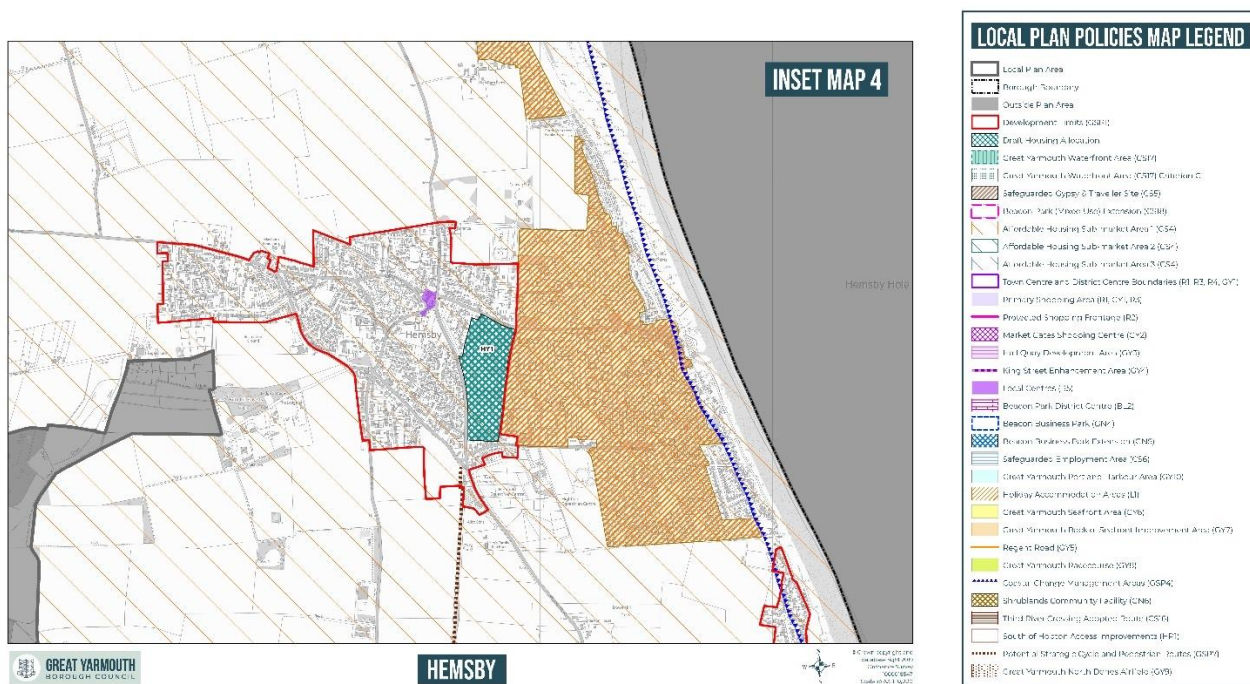
<sup>51</sup> Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

Policy	Source	Provisions
Policy L1: Holiday accommodation areas	Emerging Great Yarmouth Local Plan: Part 2	In the Holiday Accommodation Areas the Council aims to encourage year-round, sustainable tourism, support upgrades or enhancements, resist the loss of tourism uses and maintain and improve the public realm. Only in exceptional circumstances will the loss of holiday accommodation be acceptable.

Source: Great Yarmouth Borough Council

217. The policy map below in Figure 2-3 shows where emerging policies apply in different parts of Hemsby.

Figure 7-2: Adopted Local Plan policies map – Hemsby inset



## 7.4 Neighbourhood Plan Policy Evidence Base

218. The Great Yarmouth Local Plan policies already provide considerable protection of the holiday accommodation area of Hemsby. In the adopted Local Plan Part 1 Policy CS8, Policy HOU22, TR5, TR7, TR11 and TR26 are relevant and in the emerging local Plan Part 2 Policy GSP4, Policy HY1 and Policy L1 are relevant. Hemsby has a designated Primary Holiday Attraction Area and Primary Holiday Accommodation Area where policies preventing the loss of holiday accommodation apply. The emerging Local Plan will designate a new Holiday Accommodation Area.

219. Should the Neighbourhood Plan Steering Group wish to include policies on economy and tourism, further evidence gathering may be required. The scope of the Housing Needs Assessment is to consider the need for mainstream permanent accommodation, so this section can only provide broad advice on tourism policies, which will necessarily overlap to some degree with housing issues. The evidence base for neighbourhood planning needs to be 'proportionate', i.e. relate well in terms of breadth, depth and scope to the policy being proposed. In line with this approach, the Government's Planning Practice Guidance (PPG) expects most evidence in neighbourhood planning to be 'secondary' (i.e. already collected by another party, making evidence gathering more of an exercise in assembling, interpreting and showing understanding of existing data). Policies also need to reflect certain basic conditions set out below.

- Any evidence used should be clearly referenced and presented in an accessible way to justify policies, both for the purpose of examination and for the benefit of residents reading a plan as well as interested parties such as landowners and developers, some of whom may be impacted.

- b. Evidence can come from several sources, including:
- the adopted or emerging Local Plan (from a policy conformity perspective<sup>52</sup>);
  - Local Plan evidence base studies that inform policy documents (e.g. the Strategic Housing Land Availability Assessment or equivalent and Employment Land Review);
  - technical primary evidence generated or commissioned by the neighbourhood forum itself (e.g. green infrastructure assessment);
  - stakeholder-derived primary evidence generated or commissioned by the neighbourhood forum (e.g. a survey of local households and businesses); and
  - relevant national reports, studies and data such as the 2011 Census.
- c. The Basic Conditions<sup>53</sup> of a neighbourhood plan policy include:
- Is the policy spatial in nature and therefore within the scope of a development plan or is it supporting a community project?
  - Can the policy be reasonably implemented by planning officers (within planning legislation) when deliberating on planning applications?
  - Does the policy have due regard to national policy and guidance?
  - Does the policy comply with human rights law?
  - Is the policy in general conformity with adopted strategic local plan policy? Does it add value to that policy, rather than reiterate policy principles?
  - Is the policy clearly written and easy to understand?
- d. The Government's Planning Practice Guidance<sup>54</sup> states:

*"A policy in a neighbourhood plan should be clear and unambiguous. It should be drafted with sufficient clarity that a decision maker can apply it consistently and with confidence when determining planning applications. It should be concise, precise and supported by appropriate evidence. It should be distinct to reflect and respond to the unique characteristics and planning context of the specific neighbourhood area for which it has been prepared."*

## 7.5 Recommendations

220. We recommend that the Neighbourhood Plan Steering Group craft their Neighbourhood Plan policies and gather evidence in reference to the above guidance. In terms of tourism, this evidence might for example include business surveys, visitor surveys or a study of the local tourism market by a professional. Below is a list of useful reference policies on accommodation and tourism from a selection of made Neighbourhood Plans, all of which met the evidence and basic conditions requirements during examination:

- Chapel-en-le-Frith Neighbourhood Plan (adopted 2017) – Policy WE2: Sustainable tourism and enhancement
- Gurnard Neighbourhood Plan (adopted 2017) – Policy LE2: Provision of visitor facilities
- Heversham and Hincaster Neighbourhood Plan (adopted 2017) – Policy HH5: Tourism
- Huntingdon Neighbourhood Plan (adopted 2018) – Policy T1 – Tourism Development
- Kessingland Neighbourhood Plan (adopted 2016) – Policy TO1: Protection of Tourism Accommodation
- Knutsford Neighbourhood Plan (adopted 2019) – Policy ER5: Overnight Accommodation
- Seaford Neighbourhood Plan (adopted 2019) – Policy SEA11: Visitor Accommodation in Seaford
- Wetherby Neighbourhood Plan (adopted 2017) – Policy WE2: Sustainable tourism enhancement
- Wirksworth Neighbourhood Plan (adopted 2015) – Policy NP13: Overnight accommodation and tourism development

<sup>52</sup> In applying basic condition 'e,' 'general conformity' relates to the Knu

<sup>53</sup> For further information on the basic conditions, please see 'How to write a basic conditions statement available' here: <https://mycommunity.org.uk/wp-content/uploads/2016/08/How-to-write-a-basic-conditions-statement.pdf>

<sup>54</sup> Paragraph: 041 Reference ID: 41-041-20140306, available online at <https://www.gov.uk/guidance/neighbourhood-planning--2>

221. From reviewing relevant Neighbourhood Plans, tourism and economy policies in Hemsby could potentially include themes not limited to the following, subject to supporting evidence:

- Allocation of employment sites
- Allocation of tourism related development sites
- Policy resisting the loss of employment land
- Policy resisting the loss of a specific tourism facility without enhancement and/or replacement
- Policy encouraging proposals for overnight accommodation subject to meeting specific requirements such as design and quality
- Policy encouraging proposals for tourism, visitor and/or entertainment facilities subject to meeting specific requirements such as design and quality
- Policy identifying the kinds of accommodation required to meet local market and visitor needs
- Policy identifying the kinds of tourism, visitor and/or entertainment facilities required to meet local needs
- Policy establishing area for regeneration with associated design proposals or masterplans
- Specific design policies for a part of the NP area associated with tourism

## 8. Conclusions

### 8.1 Overview

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

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

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	<p>Census 2001 and 2011</p> <p>Land Registry PPD</p> <p>ONS data</p> <p>AECOM calculations</p>	<p>Hemsby has a much higher proportion of owned homes than either locally or nationally at 84%. There is a negligible amount of shared ownership. Hemsby has roughly a third of the amount of social housing expected locally and approximately half of the amount of private rented housing. The village has seen higher housing growth across the board than the local and national average. This is indicated by the higher increase in owned homes, social rented and private rented homes. The growth in private renting is especially high and indicates issues with housing affordability.</p> <p>The data on mainstream housing shows that house prices in the area are relatively low for the East of England. Prices have steadily grown from a median value of around £150,000 to £200,000 over the last decade. This suggests that the local housing market is robust with strong demand and limited supply.</p> <p>The average total household income before housing costs (equalised) across E02005538 in 2018 was £37,400. Great Yarmouth's gross LQ annual earnings are £12,015 per year. To estimate the income of LQ-earning households with two earners, the annual income is doubled, to £24,030.</p>	<p>Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average market home for sale is higher than what would be expected to be available to those on average household incomes. The income required to buy an average entry-level home for sale is higher than the average income of those on lower quartile household incomes.</p> <p>The ability of those on dual lower quartile earnings to afford entry-level market rents, affordable rent and social rent suggests that these tenures are suitable to widen housing affordability to the widest group. In the case of Hemsby, the most appropriate tenures to improve affordability locally are entry-level market rent, higher discounted market sales, 25% shared ownership, affordable rent and social rent.</p> <p>The Government's proposed First Homes product would provide a minimum discount of 30% on new homes and allow Local Authorities and Neighbourhood Plan Groups to require discounts of up to 40% and 50%. In Hemsby a 30% discount on average prices would be just sufficient to extend home ownership to households on average incomes and therefore higher discounts up to 40% or 50% may be required to reach those with lower incomes.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Quantity of affordable housing to plan for	<p>Great Yarmouth SHMA</p> <p>Census 2011</p> <p>English Housing Survey 2018</p> <p>MHCLG 2014 based household projects</p> <p>AECOM calculations</p> <p>LPA data</p>	<p>AECOM's calculation of the potential demand for affordable rented housing identifies a need for <b>14 homes</b> over the plan period.</p> <p>AECOM's estimate of the potential demand for affordable home ownership options suggest there may be a need for these homes in Hemsby to address the aspirations of households who can rent but can't buy. AECOM's estimate identified the potential demand for <b>100 homes</b> over the plan period.</p> <p>The relationship between these two estimates suggests that total Affordable Housing Need is <b>114 homes</b>.</p>	<p>The expected level of delivery of 19 affordable homes does not the quantity of demand identified in estimates of the need for affordable housing. Therefore, the policy requirement be met wherever possible, and further avenues for delivering greater quantities of Affordable Housing (such as exception sites) should be explored.</p> <p>A tenure split of <b>60% affordable rent</b> and <b>40% affordable home ownership</b>, of which 25% First Homes, 10% shared ownership and 5% rent to buy is a tenure split which will provide a variety of ways to meet affordable housing needs of Hemsby. There is evidence for the Neighbourhood Plan Group to require a higher level of discount for First Homes, up to 40% or 50%, rather than the minimum discount of 30%.</p>
Housing type and size	<p>Census 2001 and 2011</p> <p>MHCLG 2014-based household projections</p> <p>ONS SNPP 2018</p> <p>AECOM calculations</p>	<p>The data shows that Hemsby's housing stock is skewed towards homes with more bedrooms. This can be seen in the relative lack of one-bedroom homes, and relative abundance of four-bedroom homes. Hemsby's proportion of two and three-bedroom homes is close to average.</p> <p>The 2011 Census data reveals that Hemsby has a considerably older population than locally or nationally. This is demonstrated in the lower proportions of residents aged under 44, which is particularly notable among the 25-44 age group. However, Hemsby has higher proportions of residents aged 45-64, which means that the working age population roughly balances out as average. Hemsby has a very high proportion of residents aged 65-84 at nearly 25%, almost double the national average, and nearly 5% aged 85 or over.</p>	<p>Recognising the fact that households of different ages may have different housing needs, the housing mix needed to meet demographic change by the end of the Plan period is estimated by an approach based on current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in households aged under 24 will lead to an increase in the need for the type of housing currently occupied by households of that age.</p> <p>The result of the life-stage modelling is a recommendation that development might involve the following share of dwelling sizes:</p> <p><b>32.2% as 1 bedroom, 29.2% as two bedrooms, 35.5% as three bedrooms, 0% as four bedrooms</b></p>



Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
		<p>In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 NA population has aged far more rapidly than the Borough or England at large. There has been very high growth in the population aged 65 or over at over 40%, this is likely to create considerable upward pressure on demand for specialist housing for older people.</p>	<p><b>and 3.1% as 5 or more bedrooms.</b></p> <p>In other words, the interim results of the life-stage modelling suggest that there will be no need for further 4-bedroom dwellings over the Neighbourhood Plan period. It is important to stress that there may be other good reasons to provide a particular size or type of dwelling in the NA, for example the need to improve the mix of homes in a particular location, improving choice or meeting needs in the wider housing market area.</p>
Specialist housing for older people	<p>Data from <a href="http://www.housingcare.org">http://www.housingcare.org</a></p> <p>Census 2011</p> <p>ONS SNPP 2018</p> <p>AECOM calculations</p>	<p>The tenure of households aged 55-75 is 76% owned and 24% rented. Of those renting, a greater proportion are social tenants rather than private tenants. The number of people aged over 75 is set to increase from 456 to 873, or a rise of 417. The population over 75 will go from 14% to 25% of the population over the plan period.</p> <p>To calculate the number of households from the population, the average household size of those aged 75+ in Great Yarmouth in 2011 is then used. At the 2011 Census there were 9,514 individuals occupying 6,893 households, therefore with an average occupancy rate of 1.38 individuals per household. The total growth in the population aged 75+ of 417 is divided by 1.38, meaning that the forecast growth in households aged 75+ is therefore 302.</p> <p>Next the incidence of mobility limitations is considered, as defined by the Census, within each tenure group for those aged 65+ in Hemsby.</p>	<p>Focusing on those whose activities are limited a lot, the calculations suggest that of the 45 renters and 191 owners in Hemsby in this age group, there could be a need for 60 specialist homes for owner occupiers (26.3% x 229) and 30 for renters of all kinds (41.7% x 73), or <b>91 new specialist homes</b> in total.</p> <p>It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the respected models for planning for the housing needs of older people. This produces an overall total of <b>105 specialist dwellings</b> which might be required by the end of the plan period.</p> <p>Our recommendation would be to treat the outcome of these approaches as a range, with at least 91 specialist dwellings being required to service the needs of older people over the Plan period, and the projection of 105 dwellings functioning as an upper, more aspirational target, to be provided if other constraints allow.</p>

## 8.2 Recommendations for next steps

223. This Neighbourhood Plan housing needs assessment aims to provide Hemsby 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 the Great Yarmouth Borough Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular the following: Condition A, namely that the Neighbourhood Plan has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the Neighbourhood Plan contributes to the achievement of sustainable development; and Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of the Great Yarmouth Borough Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents;
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Great Yarmouth Borough Council, including but not limited to the Strategic Housing Land Availability Assessment (SHLAA);
- The recommendations and findings of this study; and
- The impact of the Government's Standard Methodology on calculating housing need for the Great Yarmouth Borough Council and the neighbourhood plan areas within it.

224. 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.

225. Bearing this in mind, it is recommended that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, the Great Yarmouth Borough Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

226. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

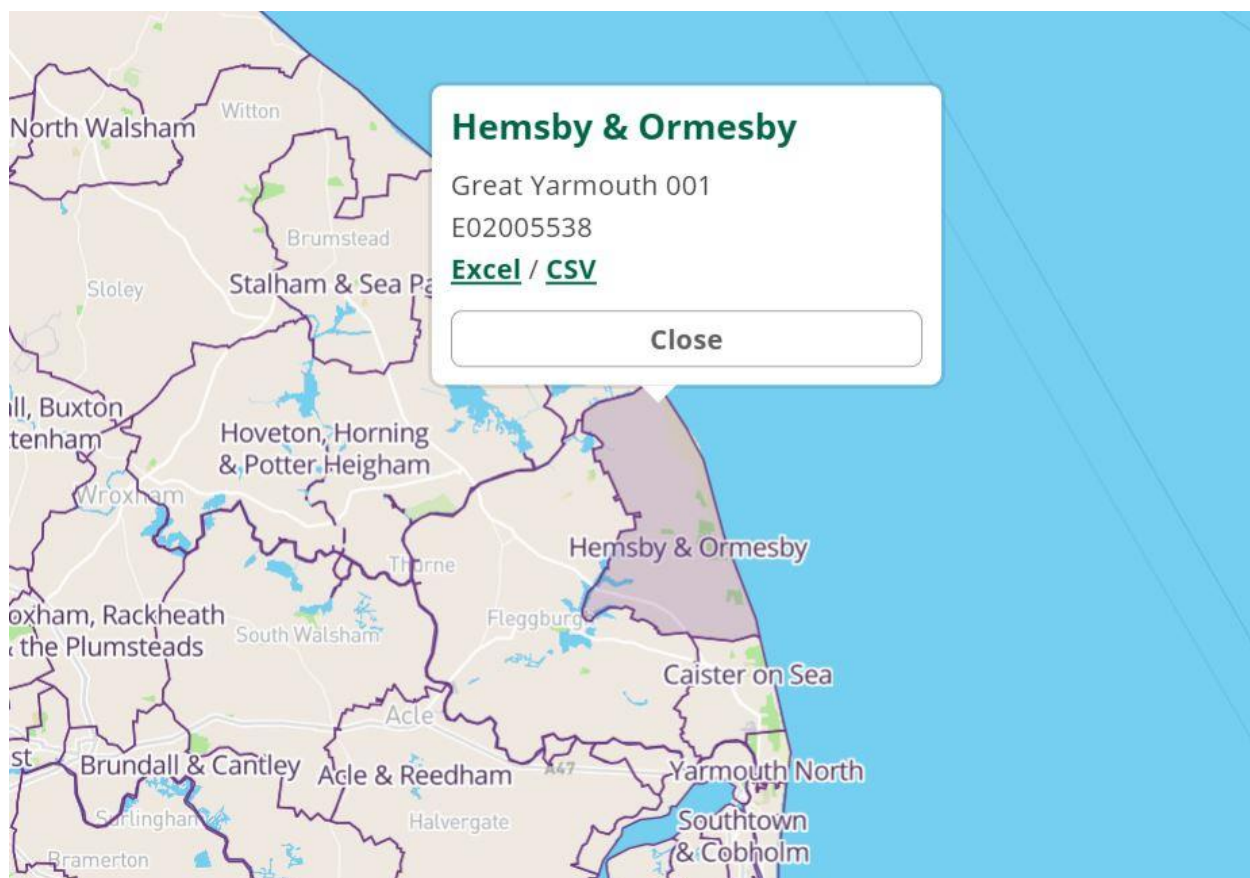
## Appendix A : Calculation of Affordability Thresholds

### A.1 Assessment geography

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

228. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Hemsby, it is considered that MSOA E02005538 is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of E02005538 appears below in Figure A-1.

**Figure A-1: MSOA [E02005538] used as a best-fit geographical proxy for the Neighbourhood Plan area**



Source: House of Commons

### A.2 Market housing

229. Market dwellings are accessible to people on higher incomes. Choices in the housing market are driven principally by spending power, life stage, and personal taste.

230. The operation of the housing market is, in most circumstances, the best means of addressing the demand for different types of housing for sale. For this reason, it is important that planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand, because this is the principal way equilibrium is achieved in the market and thus house price growth kept in check.

231. In this sense, the notion of development viability is essential. It is important not to deter development in the context of clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.

232. To determine affordability in market housing, the assessment considers two primary indicators: income thresholds,

which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

### i) Market sales

233. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
234. To produce a more accurate assessment of affordability, both the savings available for a deposit and the equity in the home from which the buyer is moving (if not a first-time buyer) should be taken into account. However, this data is not available for Hemsby. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.
235. The value of an entry-level dwelling is considered the best representation of the segment of market housing most likely to be accessible to those on lower incomes.<sup>55</sup> The value of an entry level dwelling used here is the lower quartile average house price from sales data from Land Registry over the year 2020.
236. The calculation is therefore:
- Value of an 'entry level dwelling' = £180,000;
  - Purchase deposit = £18,000 @10% of value;
  - Value of dwelling for mortgage purposes = £162,000;
  - Loan to income ratio = value of dwelling for mortgage purposes divided by 3.5;
  - **Purchase threshold = £46,286.**

### ii) Private Rented Sector (PRS)

237. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rented property if the lower quartile private rent does not exceed 30% of gross household income.
238. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,<sup>56</sup> such a home would require three habitable rooms (a flat or house with two bedrooms).
239. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the NR29 and NR30 postcode areas, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.
240. According to [home.co.uk](https://www.home.co.uk), there are 36 properties currently listed for rent across NR29 and NR30, with an average price of £692 per calendar month.
241. It is possible to derive from this data the estimated income threshold for private rental sector dwellings in the Neighbourhood Plan area; the calculation is therefore:
- Annual entry-level rent = £692 x 12 = £8,304;
  - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = £27,680;
  - **Income threshold (private rental sector) = £27,680.**
242. To calculate entry-level market rent, according to [home.co.uk](https://www.home.co.uk), there are 12 two-bed properties currently listed for rent across NR29 and NR30, with an average price of £644 per calendar month.

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<sup>55</sup> 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Neighbourhood Plan area, as set out in the Tenure and Affordability chapter above.

<sup>56</sup> This is based on the concept of the 'room standard', which indicates a dwelling is legally overcrowded if two people of the opposite sex have to share a room to sleep in (this does not apply when couples share a room). See: [http://england.shelter.org.uk/housing\\_advice/repairs/overcrowding](http://england.shelter.org.uk/housing_advice/repairs/overcrowding)

243. It is possible to derive from this data the estimated income threshold for entry-level private rental sector dwellings in the Neighbourhood Plan area; the calculation is therefore:

- Annual entry-level rent = £644 x 12 = £7,726;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = £25,753;
- **Income threshold (private rental sector) = £25,753.**

244. The NPPF 2019 acknowledges that build-to-rent dwellings have a role to play in providing affordable market homes and may meet affordable housing need where they include a component of affordable private rent.

### A.3 Affordable Housing

245. There are a range of tenures that constitute the definition of Affordable Housing within the 2019 NPPF: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership.

246. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more households, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.

247. We consider each of the affordable housing tenures in turn.

#### i) Social rent

248. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual 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 low incomes and is subject to strict eligibility criteria.

249. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Hemsby. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for the Borough of Great Yarmouth in the table below.

250. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This HNA uses two bedroom homes in the main report tables to illustrate affordability of this tenure. These homes are a good proxy for affordability in this tenure as they are typically the most numerous property size.

**Table A-1: Social rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£81.85	£88.00	£96.15	£106.31	<b>£90.12</b>
Annual average	£4,256	£4,576	£5,000	£5,528	<b>£4,686</b>
Income needed	£17,025	£18,304	£19,999	£22,112	<b>£18,745</b>

Source: Homes England, AECOM Calculations

#### ii) Affordable rent

251. 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). Even an 80% discount on the market rent may not be sufficient to ensure that households can afford it, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

252. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for the Borough of Great Yarmouth (above). Again it is assumed that no more than 30% of income should be spent on rent.

**Table A-2: Affordable rent levels (£)**

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£84.92	£96.14	£107.89	£136.60	<b>£98.05</b>
Annual average	£4,416	£4,999	£5,610	£7,103	<b>£5,099</b>
Income needed	£17,663	£19,997	£22,441	£28,413	<b>£20,394</b>

Source: Homes England, AECOM Calculations

### iii) Intermediate tenures

253. Intermediate housing includes 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. They can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing.

#### Discounted Market Homes

254. In paragraph 64 of the NPPF 2019, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership”. The most recent proposals for ‘Changes to the current planning system’ suggest that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% requirement referenced above may be replaced by the First Homes requirement.

255. Whether to treat discounted market sale homes as affordable housing or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to access market housing for purchase.

256. Applying a discount of 30% - as in the Government’s proposed First Homes product – provides an approximate selling price of £143,500 (30% discount on median average prices of £205,000). Allowing for a 10% deposit further reduces the value of the property to £129,150. The income threshold at a loan to income ratio of 3.5 is £36,900.

257. In practice, developers are likely to price these homes in relation to new build prices, particularly in locations where discounting in relation to entry level prices may not make these homes viable to develop in relation to build costs. When new build prices are discounted by 30% they may not offer any discount on entry level prices.

258. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home. These would require an income threshold of £42,171, £31,629 and £26,537 respectively.

#### Shared ownership

259. Shared ownership involves the purchaser buying an initial share in a property typically of between 10% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by ‘staircasing’. Generally, staircasing will be upward, thereby increasing the share owned over time.

260. 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.

261. To determine the affordability of shared ownership, calculations are based on the median house price of £205,000.<sup>57</sup> 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 income required to cover

<sup>57</sup> It is important to note that current shared ownership models are only available for new build homes, which are assumed to cost more than this average taken from all open market housing, which also includes property re-sale.

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).

262. A 25% equity share of £205,000 is £51,250, from which a 10% deposit of £5,125 is deducted. The mortgage value of £46,125 ( $£51,250 - £5,125$ ) is then divided by 3.5. To secure a mortgage of £46,125, an annual income of £13,179 ( $£46,125/3.5$ ) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £153,750. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £3,844 and requires an income of £12,813 (multiplied by 3.33 so that no more than 30% of income is spent on rent). Therefore, an income of around **£25,991** ( $£13,179 + £12,813$ ) is required to afford a 25% shared equity purchase of an entry-level home. The same calculations were undertaken for equity shares of 50% and 75%, producing income thresholds of **£34,899** and **£43,807** respectively.

## Appendix B : Housing Needs Assessment Glossary

### Adoption

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

### Affordability

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

### Affordability Ratio

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

### Affordable Housing (NPPF Definition)

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

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

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

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

### Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods<sup>58</sup>.

### Age-Restricted General Market Housing

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

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<sup>58</sup> The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>



## **Annual Monitoring Report**

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

## **Basic Conditions**

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

## **Backlog need**

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

## **Bedroom Standard<sup>59</sup>**

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

## **Co-living**

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

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

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

## **Community Right to Build Order<sup>60</sup>**

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

## **Concealed Families (Census definition)<sup>61</sup>**

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

## **Equity Loans/Shared Equity**

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

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<sup>59</sup> See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

<sup>60</sup> See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

<sup>61</sup> See [http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776\\_350282.pdf](http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf)

receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy new build.

### **Extra Care Housing or Housing-With-Care**

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

### **Fair Share**

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

### **First Homes**

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

### **Habitable Rooms**

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

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

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

### **Housing Market Area**

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 Borough Council, London Borough Council, County Council, Broads Authority, National Park Authority or the Greater London Authority, to the extent appropriate to their responsibilities.

### **Local Plan**

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

### **Lower Quartile**

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

### **Lower Quartile Affordability Ratio**

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

### **Market Housing**

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

### **Mean (Average)**

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

### **Median**

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

### **Median Affordability Ratio**

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

### **Mortgage Ratio**

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years<sup>62</sup>, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

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<sup>62</sup> See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

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

### **Neighbourhood plan**

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

### **Older People**

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

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

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

### **Overcrowding**

There is no single agreed definition of overcrowding, however, utilising the Government's bedroom standard, overcrowding is deemed to be in households where there is more than one person in the household per room (excluding kitchens, bathrooms, halls and storage areas). As such, a home with one bedroom and one 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 10% and 75%, and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

### **Sheltered Housing<sup>63</sup>**

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

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

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

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<sup>63</sup> See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

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

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

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

### **Social Rented Housing**

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.<sup>64</sup>

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<sup>64</sup> See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

