

Farrington Gurney Neighbourhood Plan

Housing Needs Assessment (HNA)

April 2025

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Quality information

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List of acronyms used in the text:

AH	Affordable Housing
B&NES	Bath & North East Somerset
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LA	Local Authority
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
LSOA	Lower Layer Super Output Area
MHCLG	Ministry of Housing, Communities, and Local Government
MSOA	Middle Layer Super Output Area
NA	Neighbourhood (Plan) Area
NDO	Neighbourhood Development Order
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OA	Output Area
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SHOP	Strategic Housing for Older People
VOA	Valuation Office Agency

1. Executive Summary

- 1.1.1. Farrington Gurney is a Neighbourhood Area (NA) located in the unitary authority of Bath & North East Somerset (B&NES). The NA boundary covers the areas administered by Farrington Gurney Parish Council.
- 1.1.2. The 2021 Census recorded 906 individuals in Farrington Gurney, indicating an increase of 5 people since the 2011 Census.
- 1.1.3. There has been little development in Farrington Gurney in recent years. Bath & North East Somerset Council has provided data showing that there has been a net increase of 4 dwellings in the NA between 2011/12 and 2023/24. All of these completions have been either conversion of existing structures, changes of use, or subdivision of existing dwellings, rather than new dwellings being built. As of January 2025, outstanding commitments (dwellings with planning permission) total 3 homes.
- 1.1.4. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Parish Council at the outset of the research.
- 1.1.5. Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.
- 1.1.6. This HNA has been undertaken in line with the National Planning Policy Framework (NPPF)¹ and practice guidance (both published in December 2024)².

1.2. Affordability and Affordable Housing

Current tenure profile

- 1.2.1. 2021 Census data shows that Farrington Gurney had a greater proportion of households that owned their own home (81.7%) than Bath & North East Somerset (65.3%) and England (61.3%). The NA also had the smallest proportion of households living in shared ownership dwellings and social renting, with the latter just 9.3% compared to 17.1% nationally. The private rented sector was smallest in the NA, with 8.7% of households private renting in Farrington Gurney, compared to 19-21% in the comparator geographies.

¹ [National Planning Policy Framework](#) published in December 2024

² [Housing and economic needs assessment - GOV.UK](#) published in December 2024

Affordability

- 1.2.2. Between 2014 and 2023 the median house price increased by 38.8% between 2014 and 2023, peaking in 2023 at £415,000. The lower quartile house price increased by 34.8% in the same period, also peaking in 2023, at £342,500.
- 1.2.3. Local households on average incomes are unable to access even entry-level homes unless they have the advantage of a large deposit. The median house price would require an annual income more than double the current average. Private renting is generally only affordable to average income households, with this group only able to afford entry level rents. Households made up of one or two lower quartile earners cannot afford the given rental thresholds.
- 1.2.4. Looking at affordable home ownership options, discounted market sale and First Homes discounts would not be sufficient to make home ownership affordable to households on average incomes. However, First Homes at a 50% discount would make home ownership affordable to households with an income of £51,987, compared to an income requirement of £88,071 for an entry-level market dwelling in Farrington Gurney, or £106,714 for a median priced dwelling. Shared ownership appears to be slightly more affordable than Discounted Market Sale/First Homes, with shared ownership at 10% equity accessible to households on mean incomes. Rent to Buy may offer an option for households with little or no savings for a deposit.
- 1.2.5. Affordable rented housing is generally affordable to households with two lower quartile earners whilst households with a single lower earner appear only able to afford social rented dwellings. Many households eligible for Social/Affordable Rented homes but unable to access them will require additional subsidy through Housing Benefit/Universal Credit to access housing.

The need for Affordable Housing

- 1.2.6. The Bath & North East Somerset LHNA (2024) estimates the need for Affordable Housing in the local authority area. When the LHNA figures are pro-rated to Farrington Gurney, this equates to a need for 0.7 social/affordable rented homes per annum (14 over Neighbourhood Plan period 2025-2045) and 3.5 affordable home ownership dwellings per annum (70 over the Neighbourhood Plan period).

Affordable Housing policy

- 1.2.7. AECOM suggests an indicative mix of 65% Social/Affordable Rent and 35% affordable home ownership in Farrington Gurney. This prioritises the delivery of Social/Affordable Rent whilst also providing scope to deliver affordable home ownership products.
- 1.2.8. AECOM suggest priority is given within the mix of affordable home ownership properties to shared ownership as the most affordable option, especially at the lowest equity levels. Some delivery of First Homes (at a 50% discount) may be preferable for households that can afford it (e.g. on higher incomes or with larger deposits. Rent to Buy may offer an option for households with little or no savings for a deposit.

- 1.2.9. The expected level of delivery does not meet the quantity of demand identified in estimates of the need for Affordable Housing. It is therefore recommended that the policy requirement is met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored.
- 1.2.10. Affordable Housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of Affordable Housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts.

1.3. Housing Mix: Type and Size

The current housing mix

- 1.3.1. 2021 Census data shows that greatest proportion of households in Farrington Gurney lived in detached dwellings (42.7%), well above local authority and national levels (22-23%). The NA also had the largest proportion of households living in semi-detached dwellings, at 37.8%. Farrington Gurney had a smaller proportion of more affordable dwelling types (terraced and flats) than the comparator geographies, with a small proportion of flats (1.6%) not uncommon in rural areas. 2023 VOA data shows that approximately 14.9% of dwellings in the Farrington Gurney area were bungalows, compared to 8.3% across Bath & North East Somerset, and 9.1% nationally.
- 1.3.2. Turning to dwelling size, in Farrington Gurney 18.5% of households lived in smaller 1-2 bedroom dwellings, compared to 35.7% across Bath & North East Somerset and 38.9% nationally. The greatest proportion of households in the NA lived in 3-bedroom dwellings, a trend observed across all three geographies. Farrington Gurney had a larger proportion of households living in 4+ bedroom dwellings (39.4%) than both the wider local authority (26.4%) and country (21.1%).

Population characteristics

- 1.3.3. In both 2011 and 2021 the greatest proportion of the Farrington Gurney population was aged 45-64 (29.6% and 32.1% respectively). The greatest increase was in the number of people aged 65-84 (+58.7%), indicative of an aging population. The proportion of households aged 25-44 fell between 2011 and 2021, with the number and proportion of the population aged 24 and under also decreasing.
- 1.3.4. Farrington Gurney had a greater proportion of both single person and family households aged 66 and over than the comparator geographies. The greatest proportion of households in Farrington Gurney had dependent children, at 27.4% of households, above local authority (24.2%) and national (25.8%) levels. Between 2011 and 2021 the number of family households aged 65/66 and over increased by 108.3% in Farrington Gurney, compared to a 19.0% increase across Bath & North East Somerset and 8.4% nationally, clearly highlighting the aging population in the NA.

- 1.3.5. Under-occupancy is relatively common in Farrington Gurney, with 84.9% of households living in a dwelling with at least one additional bedroom based on their household size. This is most common in households aged under 66 with no children and family households aged 66+, suggesting that larger dwellings in the NA are not necessarily occupied by the largest households, but by households with the most wealth or by older households that have been unable to or chosen not to downsize. 2.9% of families with dependent children lived in a dwelling with too few bedrooms based on their household size.

Future population and size needs

- 1.3.6. Population growth can be expected to be driven by the oldest households and youngest households in Farrington Gurney, with those with a reference person aged 65 and over projected to increase by 55%, with both those aged 24 and under and 25-34 projected to increase by 40%.
- 1.3.7. AECOM modelling suggests that future housing delivery in Farrington Gurney focusses on smaller 1-2 bedroom dwellings, at 65-85% of the mix. Approximately 20-30% is suggested to be delivered as mid-sized 3-bedroom dwellings. Whilst modelling suggests that there is no further delivery of larger 4+ bedroom dwellings in the NA, it is not necessarily appropriate to completely prohibit the delivery of these dwellings and so up to 10% of housing delivered at this dwelling size would appear to be a reasonable target.
- 1.3.8. 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 specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

1.4. Specialist Housing for Older People

- 1.4.1. There are currently no units of specialist housing for older people in Farrington Gurney.
- 1.4.2. 2021 Census data shows that at this time there were 94 individuals aged 75 and over in Farrington Gurney, accounting for 10.4% of the population. This is projected to increase to 15.9% by 2045, above the local authority rate of 14.5%.

Specialist housing for older people

- 1.4.3. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 1.4.4. These two methods of estimating the future need in Farrington Gurney produce a range of 18 to 28 specialist accommodation units that might be required during the Neighbourhood Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well

accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

- 1.4.5. It is helpful to look at the breakdown in tenure and level of care within the need for specialist housing for older people in Farrington Gurney. There is a greater need identified for market (71.4%) than affordable (28.6%) provision, with a more even split between the need for sheltered (57.1%) and extra-care (42.9%) housing. Some of the need identified, particularly for market sheltered housing, may be met through at home adaptations or ensuring that new housing that comes forward is accessible and adaptable.
- 1.4.6. It is considered that Farrington Gurney is a relatively less suitable location for specialist accommodation for older people due to its position in the settlement hierarchy. Larger nearby settlements, such as Midsomer Norton, may have the potential to accommodate the specialist housing need arising from the NA.

Care homes

- 1.4.7. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on these rates, applied to the projected growth of the older population, it is estimated that in 2045 there would be a need for 5 residential care beds and 3 nursing care beds in Farrington Gurney to meet the needs of this increase in older population.

Accessible and adaptable housing

- 1.4.8. Another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
- 1.4.9. The current adopted Local Plan policy H7 requires that 92.2% of affordable dwellings and 48% of market dwellings should meet national standards for accessibility and adaptability (Category M4(2)). It also outlines that 7.8% of affordable dwellings should meet Category M4(3)(2b) wheelchair accessible housing, with 5.6% of market dwellings meeting Category M4(3)(2a) wheelchair adaptable housing. The evidence gathered here may justify the Parish Council aligning with the local authority's approach.

2. Context

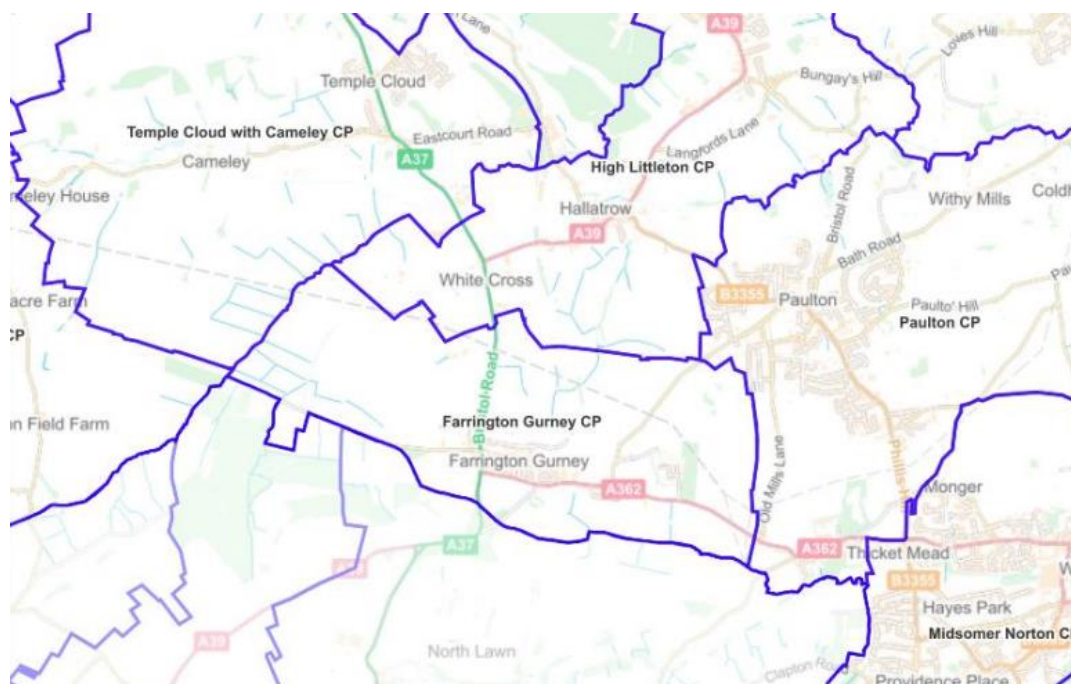
2.1. Local context

- 2.1.1. Farrington Gurney is a Neighbourhood Area (NA) located in the unitary authority of Bath & North East Somerset in the South West of England. The NA boundary aligns with the parish boundary and was designated in June 2024.
- 2.1.2. The Neighbourhood Plan is envisaged to start in 2025 and extend to 2045, therefore covering a period of 20 years. The evidence supplied in this report will look forward to the Plan end date of 2045, but where possible will also provide annualised figures which can be extrapolated to a different term if the Neighbourhood Plan period changes.
- 2.1.3. Farrington Gurney NA is located approximately 12 miles south of Bristol and 11 miles south west of Bath. The A37 runs through the NA, connecting Dorset to Bristol via Somerset. Bus services connect Farrington Gurney to nearby towns and villages as well as the larger settlements of Bath (infrequent service) and Bristol (frequent but unreliable service), which provide further public transport options. In terms of amenities, Farrington Gurney has a primary school, farm shop, café, pub, hotel, shop, petrol station, and village hall.

2.2. The NA boundary and key statistics

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

Figure 2-1: Map of the Farrington Gurney Neighbourhood Area



Source: Bath & North East Somerset Council

2.2.2. At the time of the 2021 Census the NA was home to 906 residents, formed into 368 households and occupying 376 dwellings. This data indicates population growth of around 5 people (or 0.6%) since 2011, when the Census 2011 recorded a total of 901 residents and 360 households. Comparing Census 2021 dwellings figures with 2011 suggests an increase of 6 dwellings over the decade, broadly in line with the increase in households (+8) over the same period. Completions data provided by Bath & North East Somerset Council shows that there was a net increase of 4 dwellings in the Farrington Gurney between 2011/12 and 2023/24.

2.3. The housing market area context

2.3.1. Whilst this Housing Needs Assessment (HNA) focuses on Farrington Gurney NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas (HMAs) are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.

2.3.2. In the case of Farrington Gurney, the NA sits within the Bath HMA³ which covers the administrative area covered by Bath & North East Somerset. This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including Bristol, North Somerset, and South Gloucestershire.

2.3.3. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Farrington Gurney, are closely linked to other areas. In the case of Farrington Gurney, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.

2.3.4. In summary, Farrington Gurney functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Bath & North East Somerset), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

2.4. Planning policy context

2.4.1. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁴ In the case of Bath & North East Somerset, the relevant adopted Local Plan consists of the Bath & North East Somerset Local Plan 2011-

³ Bath HMA SHMA Update Volume 1, 2018

⁴ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

2029⁵ Core Strategy (adopted 2014) and Placemaking Plan (adopted 2017). The Bath & North East Somerset Council Local Plan Partial Update was adopted in 2023⁶.

2.4.2. The emerging Local Plan is still at a relatively early stage, with the Council currently reassessing the review post-2024 NPPF and updated housing requirement. The draft Local Plan is expected in Spring 2026.

2.4.3. A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the adopted Local Plan:

- Adopted Local Plan Policy DW1 identifies an overall housing target of 13,000 homes for the local authority area over the Local Plan period;
- Policy CP9 states that 30% of all new dwellings are expected to be delivered as Affordable Housing on sites of 10 or homes, with 15% expected on sites of 5-9 dwellings;
- Policy H7 sets out an expectation that 92.2% of new affordable homes and 48% of new market homes will be built to Category M4(2) accessibility standards.

2.5. Quantity of housing to provide

2.5.1. The NPPF 2024 (paragraphs 69 and 70) requires LPAs to provide designated neighbourhood areas with a housing requirement which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Where it is not possible for the LPA to provide a requirement figure for a neighbourhood area the NPPF states that the LPA should provide an indicative figure, if requested to do so by the neighbourhood planning body.

2.5.2. Bath & North East Somerset Council has fulfilled that requirement by providing Farrington Gurney with an indicative figure of 36 dwellings (initial requirement of 18 dwellings doubled due to Standard Method increase) to be accommodated within the NA by the end of the Local Plan period.

⁵ https://www.bathnes.gov.uk/sites/default/files/2020-02/cs_pmp_vol_1_district-wide_compressed.pdf

⁶ <https://www.bathnes.gov.uk/sites/default/files/2023-01/Adopted%20LPPU%20Jan%202023.pdf>

3. Objectives and Approach

3.1. Objectives

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

Affordability and Affordable Housing

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

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

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

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

Housing Mix: Type and Size

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

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

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

3.1.7. In addition to the direction of travel revealed by data, a variety of reasons sit behind the choices that households make that are less easy to predict, including wealth,

accessibility requirements and personal preference. The evidence in this section provides a starting point for developing and justifying planning policies but does not provide definitive recommendations as it may be appropriate to take into account other factors and site specific circumstances.

Specialist Housing for Older People

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

3.2. Approach

- 3.2.1. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:
- ONS population and household projections for future years;
 - Valuation Office Agency (VOA) data on the current stock of housing;
 - Land Registry data on prices paid for housing within the local market;
 - Rental prices from Rightmove.co.uk;
 - Local Authority housing waiting list data; and
 - Bath & North East Somerset Local Housing Needs Assessment, 2024⁷.
- 3.2.2. Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including for parishes, and some datasets which

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https://www.bathnes.gov.uk/sites/default/files/B%26NES%20Local%20Housing%20Needs%20Assesment_0.pdf

compare numerous variables, has not yet been made available. As such, this HNA draws on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections to build up evidence at the neighbourhood level.

4. Affordability and Affordable Housing

4.1. Introduction

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

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

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

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

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

4.2. Definitions

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

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

which are defined in Annex 2. First Homes are also part of the range of affordable home ownership products, but the definition of First Homes and policy is covered in a Ministerial Statement (2021) and not defined in Annex 2.⁸

4.3. Current tenure profile

- 4.3.1. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
- 4.3.2. Table 4-1 presents data on tenure in Farrington Gurney compared with Bath & North East Somerset and England from the 2021 Census. It shows that the NA had a greater proportion of households that owned their own home (81.7%) than the local authority (65.3%) and country (61.3%). Farrington Gurney had a smaller proportion of households living in all other tenures. 0.3% of households lived in shared ownership dwellings in the NA, compared to 1.0% across the comparator geographies. The NA also had the smallest proportion of households social renting, at 9.3% compared to 17.1% nationally, and renting on the open market (8.7% in Farrington Gurney and over 19-21% in the comparator geographies).

Table 4-1: Tenure (households) in Farrington Gurney, 2021

Tenure	Farrington Gurney	B&NES	England
Owned	81.7%	65.3%	61.3%
Shared ownership	0.3%	1.0%	1.0%
Social rented	9.3%	14.3%	17.1%
Private rented	8.7%	19.4%	20.6%

Sources: Census 2021, AECOM Calculations

- 4.3.3. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). Census data shows that there was an increase in the number of households social renting and living in shared ownership dwellings (although this was limited, increasing from 0 to 1 household), suggesting some delivery of Affordable Housing over the decade, although this is not reflected in the completions data provided by Bath & North East Somerset Council. The number of households private renting decreased whilst ownership increased slightly.

⁸ 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>.

Table 4-2: Tenure change (households) in Farrington Gurney, 2011-2021

Tenure	2011	2021	% Change
Owned	297	299	+0.7%
Shared ownership	0	1	-
Social rented	28	34	+21.4%
Private rented	35	32	-8.6%

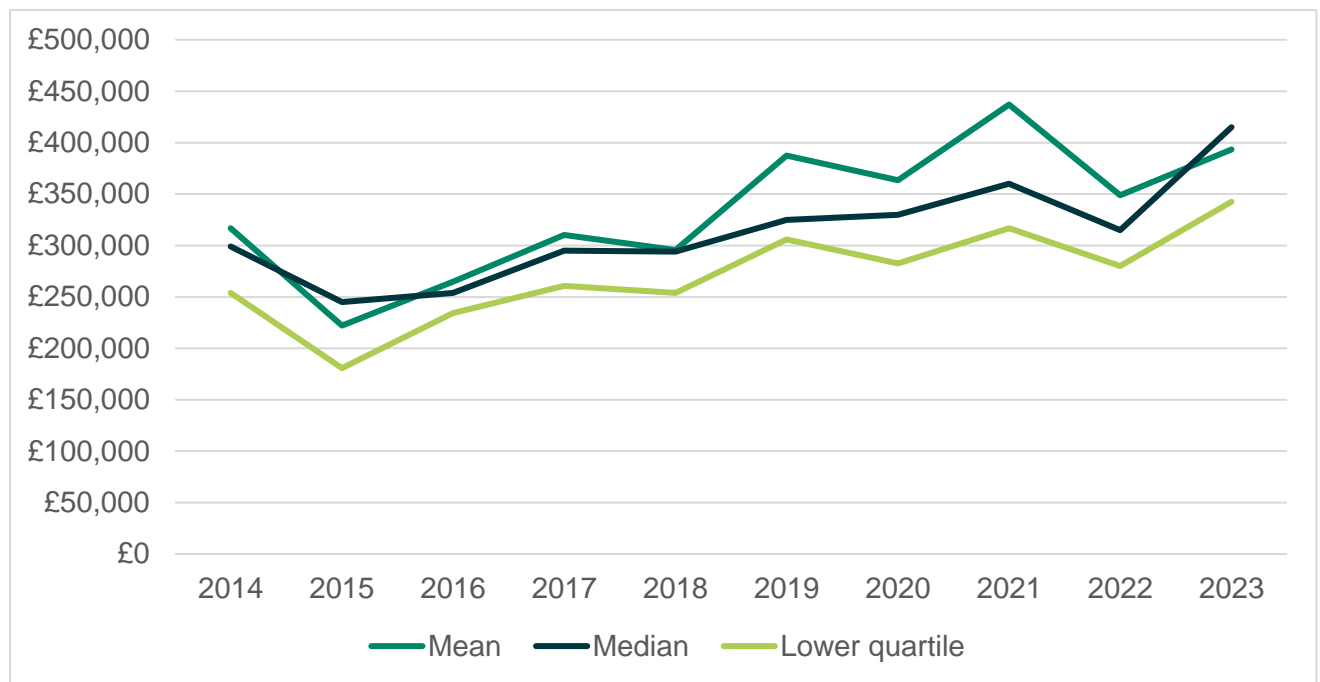
Sources: Census 2021 and 2011, AECOM Calculations

4.4. Affordability

House prices

- 4.4.1. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
- 4.4.2. Figure 4-1 looks at the average and lower quartile house prices in Farrington Gurney based on sales price data published by the Land Registry. It shows that between 2014 and 2023 house prices in the NA increased, with some fluctuation. The median (middle number when the data is sorted from smallest to largest) house price increased by 38.8% between 2014 and 2023, peaking in 2023 at £415,000. The lower quartile (the middle figure of the lowest 50% of prices and a good representation of entry-level housing) house price increased by 34.8% in the same period, also peaking in 2023, at £342,500.
- 4.4.3. The median house price in 2023 across Bath & North East Somerset was £390,000, with a lower quartile house price of £285,000. This suggests that Farrington Gurney may be a higher value area within the local authority.

Figure 4-1: House prices by quartile in Farrington Gurney, 2014-2023



Source: Land Registry PPD

4.4.4. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that detached prices increased by the greatest amount (32.8%), with semi-detached prices falling over the decade. There were too few terraced or flatted dwellings bought to determine price growth between 2014 and 2023. The median house price within the different types of dwelling fluctuated year-on-year, likely due to the annual average by type being derived from a smaller sample size within each category. This means that characteristics outside of type, such as the size, location, or condition of the dwelling, can have a greater impact on the average.

Table 4-3: Median house prices by type in Farrington Gurney, 2014-2023

Type	Detached	Semi-detached	Terraced	Flats	All Types
2014	£342,500	£326,500	£238,000	-	£299,000
2015	£258,750	£270,500	£166,500	-	£245,000
2016	£330,000	£238,500	£225,475	-	£254,000
2017	£320,000	£299,995	£227,000	-	£294,998
2018	£379,950	£288,054	£209,475	-	£294,027
2019	£325,000	£337,500	£267,475	-	£325,000
2020	£450,000	£246,500	£320,000	-	£330,000
2021	£427,500	£359,950	-	£300,000	£359,975
2022	£443,750	£322,500	£249,975	-	£315,000
2023	£455,000	£270,000	-	-	£415,000
Growth	+32.8%	-17.3%	-	-	+38.8%

Source: Land Registry PPD

Income

- 4.4.5. Household incomes determine the ability of most households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
- 4.4.6. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £47,000 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.
- 4.4.7. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Bath & North East Somerset's gross individual lower quartile annual earnings were £18,545 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £37,090.
- 4.4.8. It is clear from this data that there is a large gap between the spending power of average income households and those earning the lowest 25% of earnings, particularly where the household in question has one earner only.

Affordability Thresholds

- 4.4.9. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is assessed using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.4.10. AECOM has determined thresholds for the income required in Farrington Gurney to buy a home in the open market (average and entry-level prices), and the income required to afford private rents and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
- 4.4.11. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken, and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.
- 4.4.12. The analysis in Table 4-4 does not take account of wealth (beyond savings sufficient for a 10% deposit) or existing housing equity which may provide substantial additional financial resources for many existing home owners. Wealth and equity resources are difficult to measure, particularly at the localized level. Furthermore, the affordability analysis in HNAs is primarily focused on access to different housing options for those entering the market for the first time, either to rent or buy, and developing policies that support those who have difficulty accessing market housing. Nevertheless, many households will have additional resources that are not factored into this analysis. This is particularly the case for older owner occupiers since many own their homes outright, and/or have built up substantial equity in their existing homes over time.
- 4.4.13. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

Table 4-4: Affordability thresholds in Farrington Gurney (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £47,000	Affordable on LQ earnings (single earner)? £18,545	Affordable on LQ earnings (2 earners)? £37,090
Market Housing						
Median House Price	£373,500	-	£106,714	No	No	No
Estimated NA New Build Entry-Level House Price	£363,906	-	£103,973	No	No	No
LQ/Entry-level House Price	£308,250	-	£88,071	No	No	No
LA New Build Median House Price	£432,000	-	£123,429	No	No	No
Average Market Rent (and Rent to Buy)	-	£16,296	£54,320	No	No	No
Entry-level Market Rent (and Rent to Buy)	-	£13,800	£46,000	Yes	No	No
Affordable Home Ownership						
Discounted Market Sale (-20%)	£291,125	-	£83,179	No	No	No
First Homes (-30%)	£254,734	-	£72,781	No	No	No
First Homes (-40%)	£218,344	-	£62,384	No	No	No
First Homes (-50%)	£181,953	-	£51,987	No	No	No
Shared Ownership (50%)	£181,953	£5,054	£68,834	No	No	No
Shared Ownership (25%)	£90,977	£7,581	£51,265	No	No	No
Shared Ownership (10%)	£36,391	£9,098	£40,723	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£7,227	£24,090	Yes	No	Yes
Social Rent	-	£5,298	£17,661	Yes	Yes	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

4.4.15. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most.

The median house price would require an annual income more than double the current average.

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

Affordable home ownership

- 4.4.17. There is a relatively large group of households in Farrington Gurney who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £46,000 per year (at which point entry-level rents become affordable) and £88,071 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as Discounted Market Sale, First Homes, Shared Ownership and Rent to Buy.
- 4.4.18. Discounted Market Sale homes are offered at a discount at least 20% on market prices. First Homes are offered at a discount of at least 30% on market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
- 4.4.19. This report has estimated the income required to afford discounts of 20-50% to cover the range of discounts likely to be available on these different products. None of the discount levels make home ownership affordable to the income groups discussed. However, First Homes at a 50% discount would make home ownership affordable to households with an income of £51,987, compared to an income requirement of £88,071 for an entry-level dwelling in Farrington Gurney, or £106,714 for a median priced dwelling. This extends home ownership significantly in the NA.
- 4.4.20. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. In some case, higher discount levels could create a financial burden on a scheme which leads developers to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be reduced. The latter might put at risk the delivery of Social/ Affordable rented housing which may be an unintended consequence. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the Parish Council intend to set higher discount levels (e.g. on First Homes) than that set at district/borough level, further discussions with the LPA are advised.
- 4.4.21. Shared ownership appears to be slightly more affordable than Discounted Market Sale/First Homes, with shared ownership at 10% equity accessible to households

on mean incomes. The minimum equity share for shared ownership is 10% of the property value.⁹ If this is delivered in the NA, it will make shared ownership easier to access for more households. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares or discounted market sale products) for those who can afford them.

- 4.4.22. Rent to Buy provides households with the option to rent at a discount (an intermediate rent at least 20% lower than the market rent) in order that they can save for a deposit to buy their property within a set period. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership quite significantly, including to households on mean incomes, although would be less affordable than shared ownership at 10% equity. Discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, slightly less affordable than First Homes at a 50% discount and shared ownership at 25% equity. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.
- 4.4.23. The range of affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:
- Discounted Market Sale and First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to DMS/First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower income households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.

⁹ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is likely to be more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

Social and Affordable Rented housing

- 4.4.24. Social and Affordable Rented housing performs a critical role in supporting households with the most acute housing needs. These households are likely to be on the lowest incomes and unable to afford market housing without subsidy.
- 4.4.25. Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market levels. This appears to be the case in Farrington Gurney.
- 4.4.26. Affordable rented housing is generally affordable to households with two lower quartile earners depending on their household size (average income households are unlikely to be eligible). However, households with a single lower earner appear only able to afford social rented dwellings. Many households eligible for Social/Affordable Rented homes but unable to access them will require additional subsidy through Housing Benefit/Universal Credit to access housing.
- 4.4.27. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)¹⁰.
- 4.4.28. Social Rents are cheaper than Affordable Rents and, in theory, would leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. This is particularly the case for households who are supported by Housing Benefit and subject to the overall benefit cap since their benefit income is limited by the cap and they may not be able to claim enough to cover the Affordable Rent.
- 4.4.29. Where households are supported by housing benefit and not affected by benefit caps, the difference in the cost of Affordable and Social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that these households may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.
- 4.4.30. Households who are not supported by benefits, for example those whose earnings are higher and making them ineligible for benefits, would clearly benefit by the lower Social Rent levels because it would reduce their outgoings. However, these households are less likely to be in acute need on housing waiting lists. Rather, this scenario might apply to those already living in Social Rented housing where their financial circumstances have improved.

¹⁰ National Planning Policy Framework

- 4.4.31. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data and more detailed evidence in LHNA. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

4.5. Estimates of the need for Affordable Housing

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

Evidence in the LHNA

- 4.5.2. An LHNA was undertaken for Bath & North East Somerset in 2024. This study estimates the need for Affordable Housing in the local authority area based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time.
- 4.5.3. The LHNA identifies the need for 139 additional affordable rented homes and 692 affordable home ownership dwellings each year in Bath & North East Somerset as a whole. When the LHNA figures are pro-rated to Farrington Gurney based on its fair share of the population (0.5% of the local authority's population as per 2021 Census), this equates to 0.7 social/affordable rented homes per annum (14 over Neighbourhood Plan period 2025-2045) and 3.5 affordable home ownership dwellings per annum (70 over the Neighbourhood Plan period).

Additional evidence of Affordable Housing needs

- 4.5.4. Housing Register data provided by Bath & North East Somerset Council shows that as of January 2025 there were 8 households on the waiting list for affordable rented housing with a preference for living in Farrington Gurney.
- 4.5.5. It is also worth noting that demand in the NA is clearly high, with 3 1-bedroom sheltered bungalows available for relet since January 2023, with each having 81, 86, and 89 bids. This demonstrates high demand as well as a potential lack of supply, with none of the relets available over the past 2 years being for general needs housing.

4.6. Affordable Housing policies in Neighbourhood Plans

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

Application of Local Plan policies

- 4.6.2. Bath & North East Somerset's adopted policy on this subject CP9 (Affordable Housing) requires 30% of all new housing on sites of 10 or more dwellings, or 15% on sites of 5-9 dwellings to be affordable. It is understood that this requirement is not normally triggered in Farrington Gurney, with development over the last decade being solely of singular dwellings, and so not meeting the thresholds.
- 4.6.3. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

Affordable Housing at Neighbourhood level

- 4.6.4. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Farrington Gurney on the basis of identified housing need and a range of other considerations detailed in Appendix D.
- 4.6.5. The adopted Local Plan does not specify a split between social/affordable rented housing and affordable home ownership dwellings. AECOM suggests an indicative mix of 65% Social/Affordable Rent and 35% affordable home ownership. This prioritises the delivery of Social/Affordable Rent whilst also providing scope to deliver affordable home ownership products.
- 4.6.6. It is important that Social/Affordable Rent is prioritised in Farrington Gurney for a number of reasons:
- The expected level of delivery of Affordable Housing is below the needs identified (see Table 4-5) and so the more acute need should be prioritised;
 - The proportion of households currently living in social rented housing (9.3%, 2021 Census) is below local authority (14.3%) and national (17.1%) levels;
 - There is a current backlog of need in the region of 8 households, with these households on the Housing Register with a preference for living in Farrington Gurney.
- 4.6.7. AECOM suggest priority is given within the mix of affordable home ownership properties to shared ownership as the most affordable option, especially at the lowest equity levels. Some delivery of First Homes (at a 50% discount) may be preferable for households that can afford it (e.g. on higher incomes or with larger deposits). Rent to Buy may offer an option for households with little or no savings for a deposit.

- 4.6.8. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)¹¹.
- 4.6.9. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data, housing benefit data, more detailed evidence in LHNAs and viability assessments. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.
- 4.6.10. Where the Parish Council wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Bath & North East Somerset Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

4.7. Conclusions- Affordability and Affordable Housing

Current tenure profile

- 4.7.1. 2021 Census data shows that Farrington Gurney had a greater proportion of households that owned their own home (81.7%) than Bath & North East Somerset (65.3%) and England (61.3%). The NA also had the smallest proportion of households living in shared ownership dwellings and social renting, with the latter just 9.3% compared to 17.1% nationally. The private rented sector was smallest in the NA, with 8.7% of households private renting in Farrington Gurney, compared to 19-21% in the comparator geographies.

Affordability

- 4.7.2. Between 2014 and 2023 the median house price increased by 38.8% between 2014 and 2023, peaking in 2023 at £415,000. The lower quartile house price increased by 34.8% in the same period, also peaking in 2023, at £342,500.
- 4.7.3. Local households on average incomes are unable to access even entry-level homes unless they have the advantage of a large deposit. The median house price would require an annual income more than double the current average. Private renting is generally only affordable to average income households, with this group only able to afford entry level rents. Households made up of one or two lower quartile earners cannot afford the given rental thresholds.
- 4.7.4. Looking at affordable home ownership options, discounted market sale and First Homes discounts would not be sufficient to make home ownership affordable to households on average incomes. However, First Homes at a 50% discount would make home ownership affordable to households with an income of £51,987,

¹¹ National Planning Policy Framework

compared to an income requirement of £88,071 for an entry-level market dwelling in Farrington Gurney, or £106,714 for a median priced dwelling. Shared ownership appears to be slightly more affordable than Discounted Market Sale/First Homes, with shared ownership at 10% equity accessible to households on mean incomes. Rent to Buy may offer an option for households with little or no savings for a deposit.

- 4.7.5. Affordable rented housing is generally affordable to households with two lower quartile earners whilst households with a single lower earner appear only able to afford social rented dwellings. Many households eligible for Social/Affordable Rented homes but unable to access them will require additional subsidy through Housing Benefit/Universal Credit to access housing.

The need for Affordable Housing

- 4.7.6. The Bath & North East Somerset LHNA (2024) estimates the need for Affordable Housing in the local authority area. When the LHNA figures are pro-rated to Farrington Gurney, this equates to a need for 0.7 social/affordable rented homes per annum (14 over Neighbourhood Plan period 2025-2045) and 3.5 affordable home ownership dwellings per annum (70 over the Neighbourhood Plan period).

Affordable Housing policy

- 4.7.7. AECOM suggests an indicative mix of 65% Social/Affordable Rent and 35% affordable home ownership in Farrington Gurney This prioritises the delivery of Social/Affordable Rent whilst also providing scope to deliver affordable home ownership products.
- 4.7.8. AECOM suggest priority is given within the mix of affordable home ownership properties to shared ownership as the most affordable option, especially at the lowest equity levels. Some delivery of First Homes (at a 50% discount) may be preferable for households that can afford it (e.g. on higher incomes or with larger deposits. Rent to Buy may offer an option for households with little or no savings for a deposit.
- 4.7.9. Table 4-5 summarises Farrington Gurney'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 Neighbourhood Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-5: Estimated delivery of Affordable Housing in Farrington Gurney

Step in Estimation		Expected delivery
A	Indicative housing requirement	36
B	Affordable housing quota (%) in LPA's Local Plan	15 - 30%
C	Potential total Affordable Housing in NA (A x B)	5.4 – 10.8
D	Rented % (e.g. social/ affordable rented)	65%
E	Rented number (C x D)	3.5 – 7.0
F	Affordable home ownership % (e.g. Shared Ownership, Discounted Market Sale, First Homes, Rent to Buy)	35%
G	Affordable home ownership number (C x F)	1.9 – 3.8

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

- 4.7.10. This expected level of delivery does not meet the quantity of demand identified in estimates of the need for Affordable Housing. It is therefore recommended that the policy requirement is met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored.
- 4.7.11. Affordable Housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of Affordable Housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts.

5. Housing Mix: Type and Size

5.1. Introduction

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

Definitions

- **Dwelling type:** whether a home is detached, semi-detached, terraced, a flat, bungalow or other type. Which a household chooses to occupy tends to be more about wealth and preference than a specific need.
- **Dwelling size:** how many rooms or bedrooms a home contains. While this could also mean floor area or number of storeys, the number of bedrooms is most reliably recorded in housing statistics. Bedroom numbers are also closely linked to family size and life stage.
- **Household:** a unit of people who live together, commonly a family, couple or single person. Not all dwellings contain a household, including properties that

are vacant and second homes, so the number of dwellings and the number of households in an area is usually different.

- **Household composition:** the specific combination of adults and children who form a household. The Census offers a number of categories, for example distinguishing between families with children who are dependent or non-dependent (i.e. adults). ‘Other’ households in the Census include house-sharers, groups of students, and multi-family households.
- **Household life stage:** the age of the lead member of a household – usually the oldest adult, or what used to be called the ‘head of household’. Life stage is correlated with dwelling size as well as wealth.
- **Housing mix:** the range of home sizes and types in an area.
- **Over- and under-occupancy:** the degree to which the size and composition of a household lines up with the number of bedrooms in their home. If there are more bedrooms than the household would be expected to need, the home is considered under-occupied, and vice versa.

5.2. The current housing mix

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

Dwelling type

5.2.2. Table 5-1 below shows that in 2021 the greatest proportion of households in Farrington Gurney lived in detached dwellings (42.7%), well above local authority and national levels (22.3% and 22.9% respectively). The NA also had the largest proportion of households living in semi-detached dwellings, at 37.8%. Farrington Gurney had a smaller proportion of more affordable dwelling types (terraced and flats) than the comparator geographies. This is most notable when looking at flats, with just 1.6% of households living in flatted developments, compared to 22.2% nationally. However, this is not uncommon in rural areas.

5.2.3. Unfortunately, the Census does not record bungalows as an individual category, instead counting them within other dwelling types (mainly detached and semi-detached). However, Valuation Office Agency (VOA) data does count bungalows as a separate category, with 2023 VOA data showing that approximately 14.9% of dwellings in the Farrington Gurney area (Figure A-1) were bungalows, compared to 8.3% across Bath & North East Somerset, and 9.1% nationally.

Table 5-1: Accommodation type, Farrington Gurney and comparator geographies, 2021

Type	Farrington Gurney	B&NES	England
Detached	42.7%	22.3%	22.9%
Semi-detached	37.8%	28.7%	31.5%
Terrace	17.8%	27.2%	23.0%
Flat	1.6%	21.4%	22.2%

Source: Census 2021, AECOM Calculations

5.2.4. Table 4-2 looks at the change between the 2011 and 2021 in Farrington Gurney. It shows that in this time the proportion of households living in detached and terraced dwellings increased, at 4.3 percentage points and 1.0 percentage points respectively. The proportion of households living in semi-detached dwellings and flats decreased over the same period.

Table 4-2: Accommodation type, Farrington Gurney, 2011-2021

Type	2011	%	2021	%
Detached	142	38.4%	158	42.7%
Semi-detached	158	42.7%	140	37.8%
Terrace	62	16.8%	66	17.8%
Flat	8	2.2%	6	1.6%
Total	370	-	370	-

Source: ONS 2021 and 2011, AECOM Calculations

Dwelling size

5.2.5. Table 4-3 below presents the current housing mix in terms of size compared to the wider local authority and country. It shows that Farrington Gurney had the smallest proportion of households living in smaller 1-2 bedroom dwellings, at 18.5% of households compared to 35.7% across Bath & North East Somerset and 38.9% nationally. The greatest proportion of households in the NA lived in 3-bedroom dwellings, a trend observed across all three geographies. Farrington Gurney had a larger proportion of households living in 4+ bedroom dwellings (39.4%) than both the wider local authority (26.4%) and country (21.1%).

Table 4-3: Dwelling size (bedrooms), Farrington Gurney and comparator geographies, 2021

Number of bedrooms	Farrington Gurney	B&NES	England
1	4.9%	12.0%	11.6%
2	13.6%	23.7%	27.3%
3	42.1%	38.0%	40.0%
4+	39.4%	26.4%	21.1%

Source: Census 2021, AECOM Calculations

5.2.6. Table 4-4 shows that between 2011 and 2021 the proportion of households living in the smallest and largest dwellings increased slightly, whilst the proportion of

households living in 2-3 bedrooms dwellings decreased slightly. It is likely that the increase in the number of households living in 4+ bedroom dwellings is not only linked to development, but also the extension of existing dwellings.

Table 4-4: Dwelling size (bedrooms), Farrington Gurney, 2011-2021

Number of bedrooms	2011		2021	
		%		%
1	14	3.9%	18	4.9%
2	53	14.7%	50	13.6%
3	156	43.3%	155	42.1%
4+	137	38.1%	145	39.4%
Total	360	-	368	-

Source: ONS 2021 and 2011, AECOM Calculations

5.3. Population characteristics

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

Age

5.3.2. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. It shows that in both 2011 and 2021 the greatest proportion of the Farrington Gurney population was aged 45-64, increasing from 29.6% to 32.1% over the decade. The greatest increase was in the number of people aged 65-84 (+58.7%), indicative of an aging population, with this the second largest category in 2021. The proportion of households aged 25-44 fell from 25.3% to 19.2% between 2011 and 2021, with the number and proportion of the population aged 24 and under also decreasing.

Table 5-5: Age structure of Farrington Gurney, 2011 and 2021

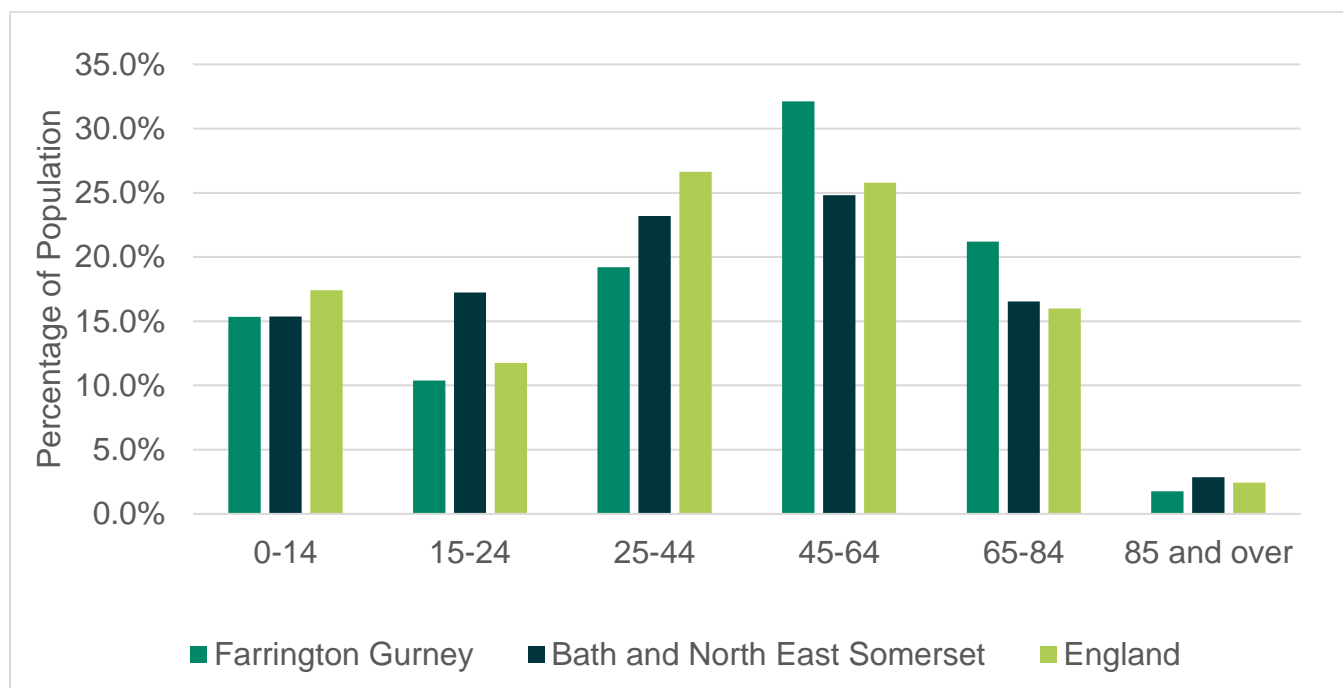
Age group	2011 (Census)		2021 (Census)		Change
0-14	164	18.2%	139	15.3%	-15.2%
15-24	102	11.3%	94	10.4%	-7.8%
25-44	228	25.3%	174	19.2%	-23.7%
45-64	267	29.6%	291	32.1%	+9.0%
65-84	121	13.4%	192	21.2%	+58.7%
85 and over	19	2.1%	16	1.8%	-15.8%
Total	901	-	906	-	+0.6%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.3.3. For context, it is useful to look at the NA population structure alongside that of the local authority and country. Figure 5-1 (using 2021 Census data) shows that Farrington Gurney had a greater proportion of the population aged 45-84 than both Bath & North East Somerset and England. However, the NA had the smallest proportion of the population aged 85 and over, potentially indicating that the oldest households move out of the NA (e.g. to be closer to a greater number of amenities,

to access care provision, or to move closer to family outside the NA). Farrington Gurney had a smaller proportion of the population aged 44 and under than nationally.

Figure 5-1: Age structure in Farrington Gurney, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

- 5.3.4. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that in 2021 Farrington Gurney had a smaller proportion of single person households than Bath & North East Somerset and England, but still had the greatest proportion of single person households aged 66 and over (15.8%), demonstrating the older skew to the population. When looking at family households, the NA also had the largest proportion of family households aged 66 and over in relation to the comparator geographies. The greatest proportion of households in Farrington Gurney had dependent children, at 27.4% of households, above local authority (24.2%) and national (25.8%) levels.
- 5.3.5. It is also helpful to look at the change in household composition over the decade, with the 2011 and 2021 Census showing that in this time the number of family households aged 65/66¹² and over increased by 108.3% in Farrington Gurney, compared to a 19.0% increase across Bath & North East Somerset and 8.4% nationally, clearly highlighting the aging population in the NA in relation to the comparator geographies.

¹² 2011 Census counts households aged 65 and over whilst the 2021 Census counts households aged 66 and over.

Table 5-6: Household composition, Farrington Gurney, 2021

Household composition		Farrington Gurney	B&NES	England
One person household	Total	22.8%	29.1%	30.1%
	Aged 66 and over	15.8%	13.6%	12.8%
	Other	7.1%	15.5%	17.3%
One family only	Total	72.3%	62.6%	63.1%
	All aged 66 and over	13.6%	10.4%	9.2%
	With no children	19.6%	17.8%	16.8%
	With dependent children	27.4%	24.2%	25.8%
	With non-dependent children ¹³	10.9%	9.5%	10.5%
Other household types	Total	4.9%	8.3%	6.9%

Source: ONS 2021, AECOM Calculations

- 5.3.6. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A household is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
- 5.3.7. Under-occupancy is relatively common in Farrington Gurney, with 84.9% of households living in a dwelling with at least one additional bedroom based on their household size. This is most common in households aged under 66 with no children (100% under-occupancy) and family households aged 66+ (98% under-occupancy). Whilst not uncommon, this suggests that larger dwellings in the NA are not necessarily occupied by the largest households, but by households with the most wealth or by older households that have been unable to or chosen not to downsize.
- 5.3.8. There is also some over-occupancy (overcrowding) in Farrington Gurney, with 2.9% of families with dependent children living in a dwelling with too few bedrooms based on their household size.
- 5.3.9. The Covid-19 pandemic has had an impact on how households use their homes, with an increase in home working post-pandemic, changing the way many households occupy their homes. It may therefore be assumed that households where one or more person works from home (either full-time or as part of hybrid working) would seek more spacious properties, often with an extra bedroom which could be used as an office or study (although this would still be considered under-occupancy within the Census). However, households would need to balance the desire for larger dwellings for homeworking with affordability.

¹³ Refers to households containing children who are older than 18 e.g. students or young working people living at home.

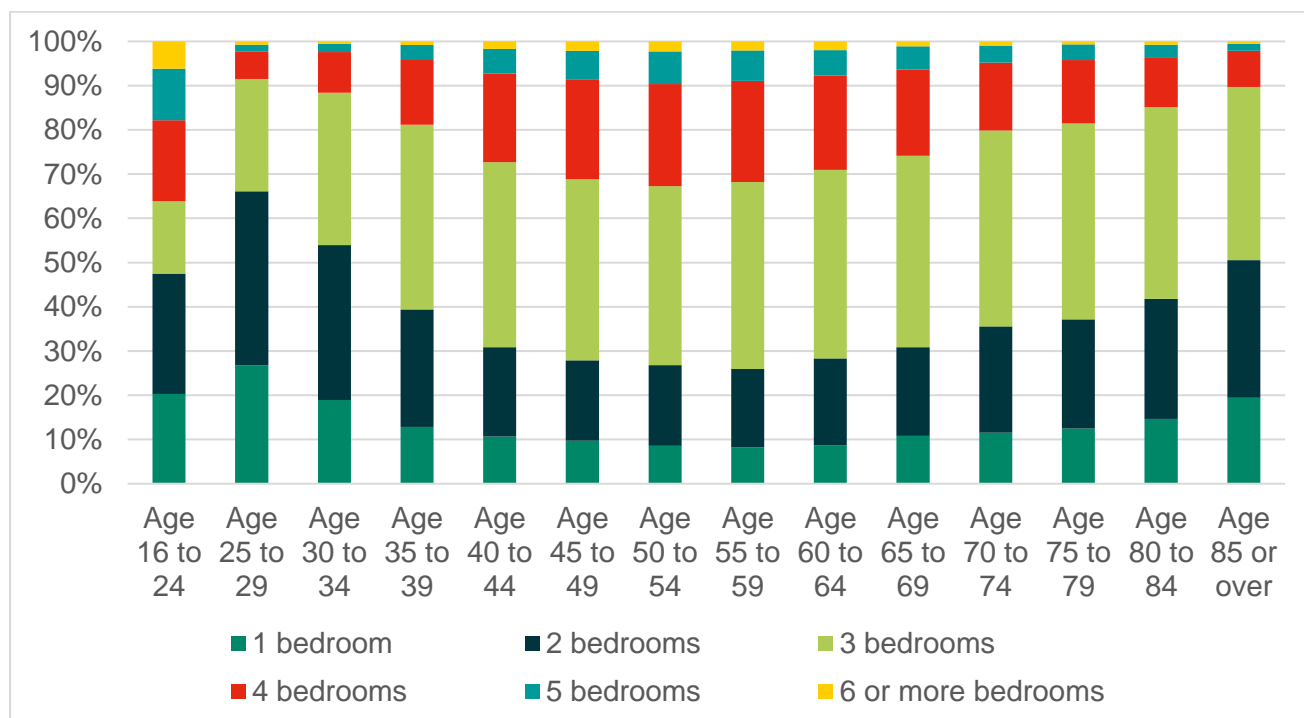
Table 5-7: Occupancy rating by age in Farrington Gurney, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	88.0%	10.0%	2.0%	0.0%
Single person 66+	55.2%	27.6%	17.2%	0.0%
Family under 66 - no children	83.8%	16.2%	0.0%	0.0%
Family under 66 - dependent children	28.4%	43.1%	25.5%	2.9%
Family under 66 - adult children	38.1%	40.5%	21.4%	0.0%
Single person under 66	53.8%	34.6%	11.5%	0.0%
All households	54.7%	30.2%	13.7%	1.3%

Source: Census 2021, AECOM Calculations

5.3.10. As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-2 sets out this relationship for Bath & North East Somerset in 2011 (because this data is not available at smaller scales). This graph generally shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age. The youngest category here is unusual due to a larger proportion of households with a reference person aged 16-24 living in mid-sized and larger dwellings than would ordinarily be seen. This is likely due to both the University of Bath and Bath Spa University being located in Bath & North East Somerset, with students often living in larger shared housing.

Figure 5-2: Age of household reference person by dwelling size in Bath & North East Somerset, 2011



Source: ONS 2011, AECOM Calculations

5.4. Future population and size needs

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

Age

5.4.2. The result of applying Local Authority level household projections to the age profile of Farrington Gurney households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households and youngest households, with those with a reference person aged 65 and over projected to increase by 55%, with both those aged 24 and under and 25-34 projected to increase by 40%. Households with a reference person aged 65 and over are projected to account for 34.0% of the population in 2045, compared to 27.5% in 2011.

Table 5-8: Projected age of households, Farrington Gurney, 2011 - 2045

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	4	26	164	67	99
2045	6	36	182	73	153
% change 2011-2045	+40%	+40%	+11%	+9%	+55%

Source: AECOM Calculations

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

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

5.4.5. The result of this exercise is presented in Table 5-9. It suggests that future housing delivery in Farrington Gurney should focus on smaller 1-2 bedroom dwellings, at just over three-quarters of the mix. The remaining 24.1% is suggested to be delivered as mid-sized 3-bedroom dwellings. In essence the goal is diversification away from a relatively skewed current mix, particular emphasis on the smallest options. The modelling suggests that there is no further delivery of larger 4+ bedroom dwellings

in the NA, but it is not necessarily appropriate to completely prohibit the delivery of these dwellings, as discussed further below.

Table 5-9: Suggested dwelling size mix to 2045, Farrington Gurney

Number of bedrooms	Current mix (2021)	Suggested mix (end of Plan period)	Balance of new housing to reach suggested mix	Indicative policy range
1	4.9%	12.2%	30.7%	25-35%
2	13.6%	23.2%	45.1%	40-50%
3	42.1%	40.9%	24.1%	20-30%
4+	39.4%	23.8%	0.0%	0-10%

Source: AECOM Calculations

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

- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.
- Continuing to provide smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether large numbers of 1-bedroom homes are suitable given the area's character and current density. Whilst some households will want or need a 1-bedroom dwelling (e.g. for affordability reasons) or only be eligible for a 1-bedroom dwelling (Social/Affordable Rent), it is generally considered that on the open market 1-bedroom dwellings are less desirable than 2-bedroom dwellings. Therefore, the Parish Council may wish to reduce the proportion of 1-bedroom dwellings delivered than suggested in the modelling, potentially more in line with the indicative policy range.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Neighbourhood Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable. However, if the existing stock is not sufficiently affordable then it may be appropriate to deliver some more affordable larger dwellings, either as more affordable dwelling

types (e.g. terraced rather than detached) or larger Affordable Housing (either rented or ownership).

Tenure

- 5.4.7. The recommendation discussed immediately above applies to all housing in the NA over the Neighbourhood Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.
- 5.4.8. Generally speaking, the size mix estimated as needed within affordable tenures, particularly Affordable and Social rent, is smaller than the size mix of market housing. This is because under local authority allocation policies, which reflect the shortage of Affordable Housing overall, households are only eligible for the minimum sized home that meets their needs. This means that single people and couples will generally only be entitled to one bedroom properties. Families with two young children are only likely to be eligible for two bedroom properties (with the expectation that children share rooms until a certain age). In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
- 5.4.9. There are some key sources of information for thinking through the size needs of different categories. These are:
- The waiting list for affordable rented housing provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In this case, of the 8 households on the Housing Register with a preference for living in Farrington Gurney, 37.5% are eligible for a 1-bedroom dwelling, 37.5% for a 2-bedroom dwelling, and 25.0% for a 3-bedroom dwelling.
 - The pattern of lettings within the existing stock of Social/Affordable Rented housing. Whilst there may be more households eligible for smaller properties, the availability of larger properties is often severely limited which puts pressure on these larger homes and often results in long waits for those needing larger family sized accommodation.
- 5.4.10. To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes to reflect the eligibility of those on the waiting list, while market homes focus on mid-sized homes and some larger options. That said, there is often acute pressure on larger Social/Affordable Rented homes because their availability through lettings is often limited. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that

indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

- 5.4.11. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.
- 5.4.12. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
- 5.4.13. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Farrington Gurney, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.
- 5.4.14. In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the Parish Council and community to consider.

5.5. Conclusions- Type and Size

The current housing mix

- 5.5.1. 2021 Census data shows that greatest proportion of households in Farrington Gurney lived in detached dwellings (42.7%), well above local authority and national levels (22-23%). The NA also had the largest proportion of households living in semi-detached dwellings, at 37.8%. Farrington Gurney had a smaller proportion of more affordable dwelling types (terraced and flats) than the comparator geographies, with a small proportion of flats (1.6%) not uncommon in rural areas. 2023 VOA data shows that approximately 14.9% of dwellings in the Farrington Gurney area were bungalows, compared to 8.3% across Bath & North East Somerset, and 9.1% nationally.

- 5.5.2. Turning to dwelling size, Farrington Gurney 18.5% of households lived in smaller 1-2 bedroom dwellings, compared to 35.7% across Bath & North East Somerset and 38.9% nationally. The greatest proportion of households in the NA lived in 3-bedroom dwellings, a trend observed across all three geographies. Farrington Gurney had a larger proportion of households living in 4+ bedroom dwellings (39.4%) than both the wider local authority (26.4%) and country (21.1%).

Population characteristics

- 5.5.3. In both 2011 and 2021 the greatest proportion of the Farrington Gurney population was aged 45-64 (29.6% and 32.1% respectively). The greatest increase was in the number of people aged 65-84 (+58.7%), indicative of an aging population. The proportion of households aged 25-44 fell between 2011 and 2021, with the number and proportion of the population aged 24 and under also decreasing.
- 5.5.4. Farrington Gurney had a greater proportion of both single person and family households aged 66 and over than the comparator geographies. The greatest proportion of households in Farrington Gurney had dependent children, at 27.4% of households, above local authority (24.2%) and national (25.8%) levels. Between 2011 and 2021 the number of family households aged 65/66 and over increased by 108.3% in Farrington Gurney, compared to a 19.0% increase across Bath & North East Somerset and 8.4% nationally, clearly highlighting the aging population in the NA.
- 5.5.5. Under-occupancy is relatively common in Farrington Gurney, with 84.9% of households living in a dwelling with at least one additional bedroom based on their household size. This is most common in households aged under 66 with no children and family households aged 66+, suggesting that larger dwellings in the NA are not necessarily occupied by the largest households, but by households with the most wealth or by older households that have been unable to or chosen not to downsize. 2.9% of families with dependent children lived in a dwelling with too few bedrooms based on their household size.

Future population and size needs

- 5.5.6. Population growth can be expected to be driven by the oldest households and youngest households in Farrington Gurney, with those with a reference person aged 65 and over projected to increase by 55%, with both those aged 24 and under and 25-34 projected to increase by 40%.
- 5.5.7. AECOM modelling suggests that future housing delivery in Farrington Gurney focusses on smaller 1-2 bedroom dwellings, at just over three-quarters of the mix. The remaining 24.1% is suggested to be delivered as mid-sized 3-bedroom dwellings. The modelling suggests that there is no further delivery of larger 4+ bedroom dwellings in the NA, but it is not necessarily appropriate to completely prohibit the delivery of these dwellings.
- 5.5.8. 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 specific characteristics of the nearby stock of housing (such as its condition and

design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

6. Specialist Housing for Older People

6.1. Introduction

- 6.1.1. It is relatively common for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Farrington Gurney. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:
- To review the **current provision** of specialist housing in the NA;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 6.1.2. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.
- 6.1.3. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁴
- 6.1.4. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁵ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.
- 6.1.5. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

¹⁴ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁵ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing¹⁶:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.
- **Category M4(3):** dwellings which are capable of adaptation for wheelchair users, or are already built for use of wheelchair throughout. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.

6.2. Specialist housing for older people

6.2.1. There are currently no units of specialist accommodation in the NA. The national average provision for England is 136 units per 1,000 of the 75+ population¹⁷.

¹⁶ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

¹⁷ Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now MHCLG) and the Care Services Improvement Partnership

Demographic characteristics

- 6.2.2. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Farrington Gurney is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Bath & North East Somerset. The results are set out in Table 6-1. It shows that in 2021 there were 94 individuals aged 75 and over in Farrington Gurney, with this projected to increase to 166 by the end of the Neighbourhood Plan period. The 75+ population are projected to account for 15.9% of the Farrington Gurney population by 2045, above local authority levels of 14.5%.
- 6.2.3. A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Neighbourhood Plan period is the key output of this calculation.

Table 6-1: Modelled projection of older population in Farrington Gurney by end of Plan period

Age group	2021	2021	2045	2045
	Farrington Gurney	B&NES	Farrington Gurney	B&NES
All ages	906	193,408	1,040	221,931
75+	94	18,255	166	32,202
%	10.4%	9.4%	15.9%	14.5%

Source: ONS SNPP 2020, AECOM Calculations

- 6.2.4. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
- 6.2.5. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Neighbourhood Plan period to 2045. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the majority of these households owned their own home (81.2%), with the remaining 18.8% renting. The greatest proportion of renters lived in social rented dwellings, at 12.8% of households aged 55-75.
- 6.2.6. The expected growth in the 75+ population in the NA is 72 additional individuals by the end of the plan period. This can be converted into 51 households based on the

average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Farrington Gurney households are likely to need in 2045, and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in Bath & North East Somerset (2011) and projected aged 75+ in Farrington Gurney (2045)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
B&NES (2011 mix)	81.2%	59.0%	22.3%	18.8%	12.8%	4.9%	1.0%
Farrington Gurney (2045 projection)	42	30	11	10	7	3	1

Source: Census 2011

- 6.2.7. It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table E-1 in Appendix E presents this data for Farrington Gurney from the 2011 Census.

Future needs for specialist accommodation and adaptations

- 6.2.8. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Neighbourhood Plan period is calculated to be 28.
- 6.2.9. AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.
- 6.2.10. It is also helpful to look at the breakdown in the tenure and level of care of the specialist housing for older people. Table 6-3 shows that there is a greater need for market (71.4%) than affordable (28.6%) provision. There is a more even split between the need for sheltered (57.1%) and extra-care (42.9%) housing. The greatest sub-category of need is for sheltered market housing, at 42.9% of the total

mix, with some of this need potentially met through at home adaptations or ensuring that new housing that comes forward is accessible and adaptable.

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

Type	Affordable	Market	Total
Housing with care	4 (14.3%)	8 (28.6%)	12 (42.9%)
Adaptations, sheltered, or retirement living	4 (14.3%)	12 (42.9%)	16 (57.1%)
Total	8 (28.6%)	20 (71.4%)	28

Source: Census 2011, AECOM Calculations

6.2.11. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table E-2 in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Farrington Gurney results in a total of 18 specialist dwellings that might be required to the end of the Neighbourhood Plan period. This is set out in Table 6-4.

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

Type	Affordable	Market	Total
Housing with care	2 (11.1%)	3 (16.7%)	5 (27.8%)
Adaptations, sheltered, or retirement living	4 (22.2%)	9 (50.0%)	13 (72.2%)
Total	6 (33.3%)	12 (66.7%)	18

Source: Housing LIN, AECOM calculations

6.2.12. The Bath & North East Somerset LHNA (2024) models the need for housing with care and housing with support across the local authority area. It identifies a need for 373 units of housing with care between 2022 and 2042 (18.7 per annum) and 1,305 units of housing with support (65.3 per annum) in Bath & North East Somerset. Pro-rated to the NA this suggests a need for 0.09 units of housing with care and 0.3 with support per annum, or 0.2 and 6 respectively over the Neighbourhood Plan period 2025-2045.

Further considerations

6.2.13. The above estimates suggest that potential need for specialist accommodation could be in the range of 18-28 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It

is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

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

6.3. Care homes

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

- 6.3.4. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. For nursing care beds this is an extra 45 care beds per 1,000 people aged 75+. Based on these rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2045 there would be a need for 5 residential care beds and 3 nursing care beds in the NA, an increase of 8 from present levels.
- 6.3.5. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

6.4. The Role of Mainstream Housing

- 6.4.1. The majority of older people live in mainstream housing and will continue to do so all of their lives. Due to there being no provision of specialist housing for older people in Farrington Gurney, it is assumed that the whole population aged 75 and over lives in the mainstream housing stock.
- 6.4.2. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
- 6.4.3. However, given that there is unlikely to be a large volume of additional specialist supply during the Neighbourhood Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Bath & North East Somerset Council.
- 6.4.4. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings¹⁸, although changes to Building Regulations have not yet been made.
- 6.4.5. The current adopted Local Plan policy H1 provides explicit encouragement for development to accommodate specific groups such as older people. Policy H7 requires that 92.2% of affordable dwellings and 48% of market dwellings should meet national standards for accessibility and adaptability (Category M4(2)). It also outlines that 7.8% of affordable dwellings should meet Category M4(3)(2b) wheelchair accessible housing, with 5.6% of market dwellings meeting Category

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

M4(3)(2a) wheelchair adaptable housing. The evidence gathered here may justify the Parish Council aligning with the local authority’s approach.

- 6.4.6. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.
- 6.4.7. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.
- 6.4.8. Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages could be applied to the expected level of housing delivery for Farrington Gurney to suggest the number that might be encouraged to be wheelchair friendly or adaptable. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally

	Percentage in England
Households using wheelchair all the time	0.6%
Households using wheelchair either indoors or outdoors	3.0%

Source: Survey of English Housing 2018/19

6.5. Conclusions- Specialist Housing for Older People

- 6.5.1. There are currently no units of specialist housing for older people in Farrington Gurney.
- 6.5.2. 2021 Census data shows that at this time there were 94 individuals aged 75 and over in Farrington Gurney, accounting for 10.4% of the population. This is projected to increase to 15.9% by 2045, above the local authority rate of 14.5%.

Specialist housing for older people

- 6.5.3. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 6.5.4. These two methods of estimating the future need in Farrington Gurney produce a range of 18 to 28 specialist accommodation units that might be required during the Neighbourhood Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today’s older households are already

well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.

- 6.5.5. It is helpful to look at the breakdown in tenure and level of care within the need for specialist housing for older people in Farrington Gurney. There is a greater need identified for market (71.4%) than affordable (28.6%) provision, with a more even split between the need for sheltered (57.1%) and extra-care (42.9%) housing. Some of the need identified, particularly for market sheltered housing, may be met through at home adaptations or ensuring that new housing that comes forward is accessible and adaptable.
- 6.5.6. It is considered that Farrington Gurney is a relatively less suitable location for specialist accommodation for older people due to its position in the settlement hierarchy. Larger nearby settlements, such as Midsomer Norton, may have the potential to accommodate the specialist housing need arising from the NA.

Care homes

- 6.5.7. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on these rates, applied to the projected growth of the older population, it is estimated that in 2045 there would be a need for 5 residential care beds and 3 nursing care beds in Farrington Gurney to meet the needs of this increase in older population.

Accessible and adaptable housing

- 6.5.8. Another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development.
- 6.5.9. The current adopted Local Plan policy H7 requires that 92.2% of affordable dwellings and 48% of market dwellings should meet national standards for accessibility and adaptability (Category M4(2)). It also outlines that 7.8% of affordable dwellings should meet Category M4(3)(2b) wheelchair accessible housing, with 5.6% of market dwellings meeting Category M4(3)(2a) wheelchair adaptable housing. The evidence gathered here may justify the Parish Council aligning with the local authority's approach.

7. Next Steps

7.1. Recommendations for next steps

7.1.1. This Neighbourhood Plan housing needs assessment aims to provide Farrington Gurney Parish Council with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Bath & North East Somerset Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of Bath & North East Somerset Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Bath & North East Somerset Council.

7.1.2. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.

7.1.3. Bearing this in mind, it is recommended that the Parish Council should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Bath & North East Somerset Council, or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

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

Appendix A : Assessment geography

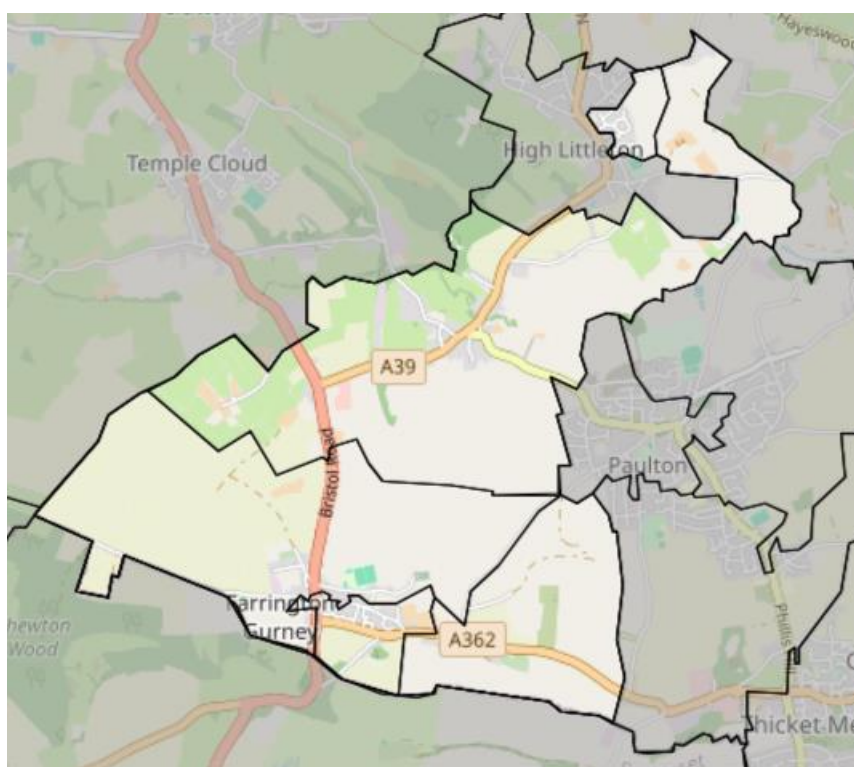
A.1 For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The NA equates to the following combination of OAs:

- OA E00072694;
- OA E00072695; and
- OA E00072696

A.2 Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. The most relevant LSOA in this case, which will need to be used as a proxy for the NA, is:

- LSOA E01014394

Figure A-1: Map of LSOA for VOA Data

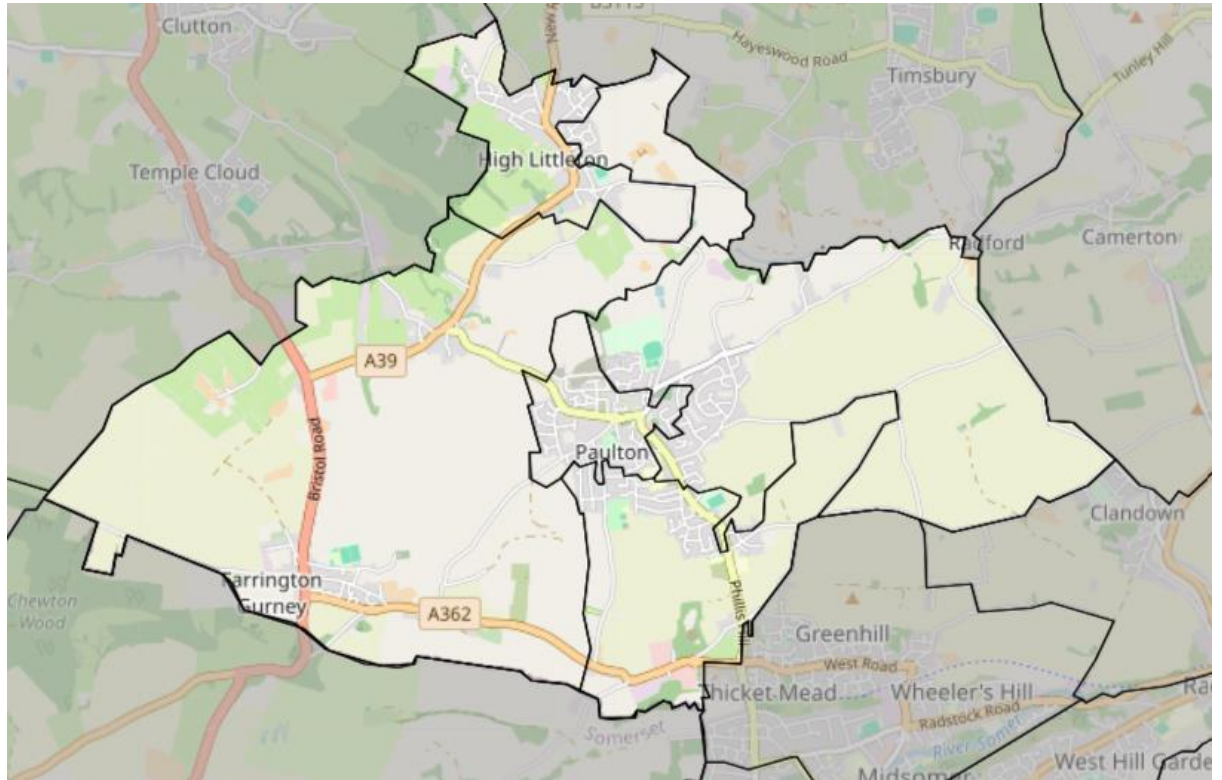


Source: NOMIS

A.3 Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the NA is located and which will need to serve as a proxy for it, is:

- MSOA E02003007

Figure A-2: Map of MSOA for Income Data



Source: NOMIS

Appendix B : Local Plan context

Policies in the adopted local plan

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

Table B-1: Summary of relevant adopted policies in the adopted Local Plan (Core Strategy and Placemaking Plan) and Partial Update for Bath & North East Somerset Council

Policy	Provisions
DW1 – District-wide Spatial Strategy	<p>The strategy for B&NES will make provision to accommodate an increase in the supply of housing by around 13,000 homes.</p> <p>For the period 2022-2029 the housing requirements for designated neighbourhood areas is set out. However, at the time of publication Farrington Gurney was not yet a designated neighbourhood area.</p>
CP9 – Affordable Housing	<p>Affordable Housing will be required as on-site provision in developments of 10 dwellings or 0.5 hectares and above. Based on postcode areas, Farrington Gurney is located in AH Area 2. 30% Affordable Housing will be sought here.</p> <p>Residential developments on small sites from 5 to 9 dwellings or from 0.25 to 0.49 hectares should provide either on site provision or an appropriate financial contribution towards the provision of affordable housing with commuted sum calculations. The target level of affordable housing for these small sites will be 15% for AH Area 2.</p> <p>Residential developments delivering on-site affordable housing should provide a mix of affordable housing units and contribute to the creation of mixed, balanced, and inclusive communities. The size and type of affordable units will be determined by the Council to reflect the identified housing needs and site suitability. The Council will aim for at least 60% of the affordable housing to be family accommodation, including some large 4/5 bed dwellings.</p>
RA4 – Rural Exception Sites	<p>As an exception to other policies of the Development Plan, residential development of 100% affordable housing will be permitted provided that:</p> <ol style="list-style-type: none"> a) It meets a demonstrated local need for affordable housing b) The housing remains affordable in perpetuity

Policy	Provisions
	<p>c) Occupancy of the affordable housing would remain, as a first priority, for those with demonstrated local connections</p> <p>d) The development is in scale and keeping with the form and character of its location</p> <p>e) The development is well related to community services and facilities</p> <p>A small proportion of market housing will be appropriate only where it can be demonstrated that the market housing is essential to cross-subsidise the affordable housing and that the site would be unviable without this cross subsidy.</p>
<p>H1 – Housing and Facilities for the Elderly, People with Other Supported Housing or Care Needs</p>	<p>Housing and facilities for the elderly, people with other supported housing or care needs, will be permitted in line with the criteria in the full policy.</p>
<p>CP10 – Housing Mix</p>	<p>New housing development, both market and affordable, must provide for a variety of housing types and size to accommodate a range of different households, including families, single people, and low income households.</p> <p>The mix of housing should contribute to providing choice in tenure and housing type, having regard to the existing mix of dwellings in the locality and the character and accessibility of the location.</p> <p>Housing developments will also need to contribute to the provision of homes that are suitable for the needs of older people, disabled people, and those with other special needs (including supported housing projects) in a way that integrates all households into the community.</p>
<p>H4 – Self-Build</p>	<p>The provision of self-build housing will be supported, and CIL will not be charged where the scheme meets the exception criteria.</p> <p>Self-build housing will be supported where the proposals are of sufficient design and sustainability merit, and in line with other policies in the Development Plan.</p>
<p>H7 – Housing Accessibility</p>	<p>To provide suitable housing that meets the needs of different groups in the community, including disabled people, older</p>

Policy

Provisions

people, and families with young children, new residential development must ensure that:

- For affordable housing, 7.8% of dwellings to be built to meet Building Regulation M4(3)(2b) standard (wheelchair accessible housing) and the remainder to M4(2) accessible and adaptable dwellings standards with houses, ground floor flats, upper floor flats where a lift is installed, and age restricted homes.
 - For market housing, 5.6% of dwellings to be built to Building Regulation M4(3)(2a) standard (wheelchair adaptable housing) and 48% of the remainder to M4(2) accessible and adaptable dwellings standard.
-

Source: Bath & North East Somerset Council

Appendix C : Affordability calculations

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

Market housing

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

Market sales

C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.

C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Farrington Gurney, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.

C.5 The calculation for the purchase threshold for market housing is as follows:

- Value of a median NA house price (2023) = £415,000;
- Purchase deposit at 10% of value = £41,500;
- Value of dwelling for mortgage purposes = £373,500;
- Divided by loan to income ratio of 3.5 = purchase threshold of £106,714.

C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2023 was £342,500, and the purchase threshold is therefore £88,071.

C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. The Land Registry recorded no sales of new build properties in the NA in 2023. It is, however, important to understand the likely cost of new housing because new

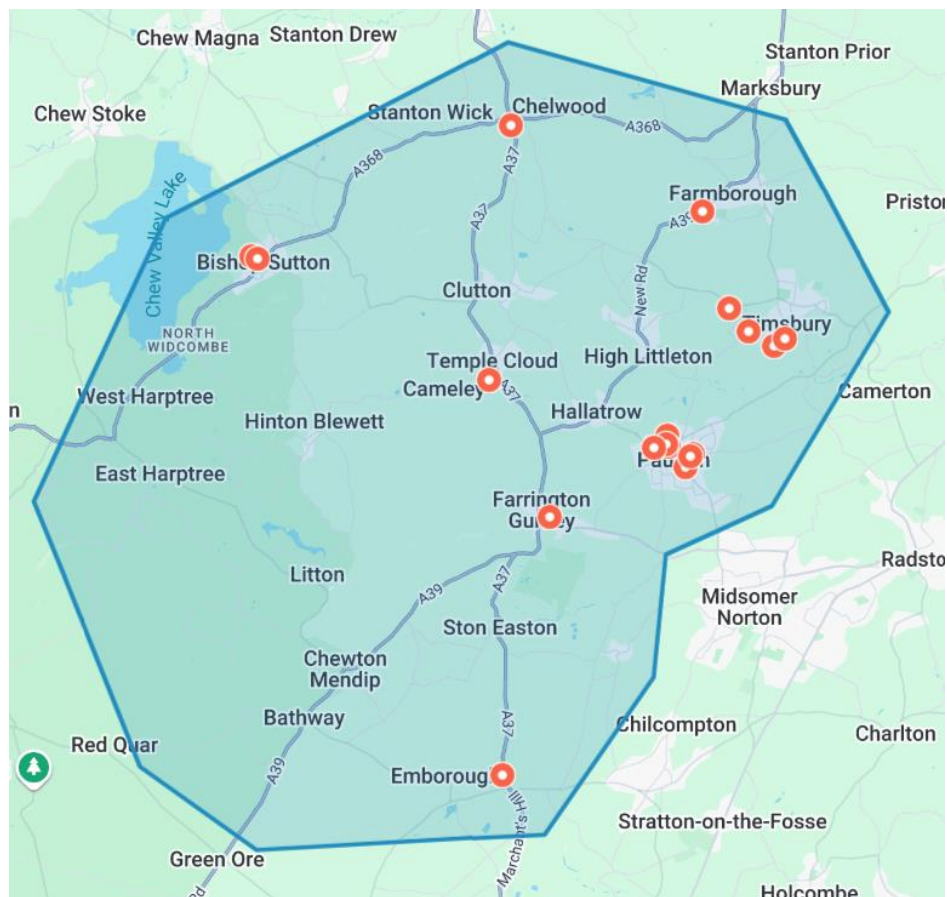
housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

- C.8 Therefore an estimate has been calculated by determining the uplift between all terraced house prices in 2023 across Bath & North East Somerset and new build terraced house prices in 2023 in the same area. This percentage uplift (or ‘new build premium’) is then applied to the 2023 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £404,340 and purchase threshold of £103,973.
- C.9 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Bath & North East Somerset in 2023. The median cost of new build dwellings in Bath & North East Somerset was £480,000, with a purchase threshold of £123,429.

Private Rented Sector (PRS)

- C.10 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household’s gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS’s current standard assumption.
- C.11 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.12 The property website Rightmove.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the area shown in Figure C-1, 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.

Figure C-1: Map of area used for rental price data



Source: *Rightmove.co.uk*

- C.13 According to Rightmove.co.uk, there were 17 properties for rent at the time of search in February 2025, with an average monthly rent of £1,358. There were 5 1-bedroom and 2-bedroom properties listed, with an average price of £1,150 per calendar month.
- C.14 The calculation for the private rent income threshold for entry-level (1- and 2-bedroom) dwellings is as follows:
- Annual rent = £1,150 x 12 = £13,800;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £46,000.
- C.15 The calculation is repeated for the overall average to give an income threshold of £54,320.

Affordable Housing

- C.16 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2024: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The First Homes product was introduced in 2021 but is not included in the NPPF Annex 2 definitions. Each of the affordable housing tenures are considered below.

Social rent

- C.17 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.
- C.18 To determine social rent levels, 2021 data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Farrington Gurney. This data provides information about rents and the size and type of stock owned and managed by private registered providers and local authorities and is presented for Bath & North East Somerset in Table C-1.
- C.19 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£88.32	£101.55	£110.57	£122.25	£101.89
Annual average	£4,593	£5,281	£5,750	£6,357	£5,298
Income needed	£15,309	£17,602	£19,165	£21,190	£17,661

Source: Homes England, AECOM Calculations

Affordable rent

- C.20 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is capped).
- C.21 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
- C.22 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Bath & North East Somerset. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.23 Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 50% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£123.24	£141.32	£153.93	£188.16	£138.98
Annual average	£6,408	£7,349	£8,004	£9,784	£7,227
Income needed	£21,362	£24,495	£26,681	£32,614	£24,090

Source: Homes England, AECOM Calculations

Affordable home ownership

C.24 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

Discounted Market Sale/ First Homes

C.25 Discounted market sale homes are affordable home ownership products which offer a discount of at least 20% on market values.

C.26 First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);

- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.

C.27 The starting point for considering whether Discounted Market Sale/First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £404,340.

C.28 For the minimum First Homes discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (estimated NA new build entry-level) = £404,340;
- Discounted by 30% = £283,038;

- Purchase deposit at 10% of value = £28,304;
- Value of dwelling for mortgage purposes = £254,734;
- Divided by loan to income ratio of 3.5 = purchase threshold of £72,781.

- C.29 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home. This would require an income threshold of £83,179, £62,384 and £51,987 respectively.
- C.30 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. However, the discounted price at a 30% discount is above the £250,000 cap and so fails to meet the criteria. Therefore, either a greater discount is justified, developers would need to bring the price down, or smaller or lower value properties would need to be delivered than our assumed benchmark.
- C.31 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m¹⁹) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Farrington Gurney.
- C.32 Table C-3 shows the discount required for market homes to be affordable to the three income groups. The cost of a typical discounted market sale property/First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about these properties in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	56%	83%	65%
NA estimated new build entry-level house price	55%	82%	64%
NA entry-level house price	47%	79%	58%
LA median new build house price	62%	85%	70%

Source: Land Registry PPD; ONS MSOA total household income

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

Shared ownership

- C.33 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
- C.34 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
- C.35 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
- C.36 The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £404,340 is £101,085;
 - A 10% deposit of £10,109 is deducted, leaving a mortgage value of £90,977;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £25,993;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £303,255;
 - The estimated annual rent at 2.5% of the unsold value is £7,581;
 - This requires an income of £25,271 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £51,265 (£25,993 plus £25,271).
- C.37 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £40,723 and £68,834 respectively.
- C.38 All of the income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

- C.39 Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to

build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Appendix D : Affordable Housing need and policy

Affordable housing policy

D.1 The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

Table D-1: Wider considerations in developing Affordable Housing mix policy

Consideration	Local Evidence
<p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>This HNA suggests that the NA requires around 14 units of social/affordable rented housing and 70 units of affordable home ownership homes over the Neighbourhood Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p>
<p>B. Can Affordable Housing needs be met in full?</p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p>	<p>If the Local Plan target of 15-30% were achieved on every site, assuming the delivery of the NA's housing requirement for 36 homes overall, up to 11 affordable homes might be expected in the NA over Neighbourhood Plan period.</p> <p>This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. Therefore, the more urgent and acute need for rented housing should be prioritised.</p>
<p>C. Government policy (e.g. NPPF) requirements:</p> <p>There is no required tenure mix set out in national policy (NPPF 2024) but local authorities are required to set out the minimum proportion of Social Rented housing needed in their areas as part of their Affordable Housing requirements.</p>	<p>Implicit prioritisation of Social Rented homes within Affordable Housing policy at the nation level but local authorities have flexibility to set out the proportion needed in their areas. Local Plan tenure mix provides the starting point.</p>

<p>D. Local Plan policy:</p>	<p>The adopted Local Plan does not specify a tenure split within Affordable Housing.</p>
<p>E. Viability:</p>	<p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on affordable home ownership properties.</p>
<p>F. Funding:</p> <p>The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p>	<p>The Parish Council may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p>G. Existing tenure mix in Farrington Gurney:</p> <p>The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>2021 Census data shows that 9.6% of households in Farrington Gurney lived in Affordable Housing (0.3% in shared ownership dwellings and 9.3% social renting), compared to 15.3% across Bath & North East Somerset and 18.1% nationally.</p>
<p>H. Views of registered providers:</p>	<p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage social/affordable rented homes in the NA. The funding arrangements available to housing associations will also influence rent levels.</p>
<p>I. Wider policy objectives:</p>	<p>The Parish Council may wish to take account of broader policy objectives for Farrington Gurney and/or the wider local authority. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.</p>

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Tenure and mobility limitations of those aged 65+ in Farrington Gurney, 2011 (65+ is the closest proxy for 75+ in this data)

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	31	22.1%	43	30.7%	66	47.1%
<i>Owned Total</i>	21	18.4%	32	28.1%	61	53.5%
Owned outright	19	18.4%	29	28.2%	55	53.4%
Owned (mortgage) or shared ownership	2	18.2%	3	27.3%	6	54.5%
<i>Rented Total</i>	10	38.5%	11	42.3%	5	19.2%
Social rented	7	36.8%	10	52.6%	2	10.5%
Private rented or living rent free	3	42.9%	1	14.3%	3	42.9%

Source: DC3408EW Health status

HLIN calculations

Table E-2: Recommended provision of specialist housing for older people from the HLIN SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

E.1 As Table 6-1 in the main report shows, Farrington Gurney is forecast to see an increase of 72 individuals aged 75+ by the end of the Neighbourhood Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.072 = 4$
- Leasehold sheltered housing = $120 \times 0.072 = 9$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.072 = 1.4$
- Extra care housing for rent = $15 \times 0.072 = 1.1$
- Extra care housing for sale = $30 \times 0.072 = 2.2$
- Housing based provision for dementia = $6 \times 0.072 = 0.4$

Appendix F : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local

house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²⁰.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

²⁰ The Tenant Services Authority has issued an explanatory note on these methods

Bedroom Standard²¹

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 developments (NPPF definition)

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

Community Right to Build Order

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

²¹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Concealed Families (Census definition)²²

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

Equity Loans/Shared Equity

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

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

²² See

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Need (NPPG 2024 definition)

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

Housing Needs Assessment

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

Housing Products

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

Housing Requirement (NPPF 2024 Definition)

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

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the Neighbourhood Plan period on the basis of changes in the distribution of household types and key age brackets (life stages) within the 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. Lifetime Homes standards have been broadly wrapped up into the M4(2) optional building regulations standards which relate to accessibility and adaptability of dwellings.

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²³, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

People over retirement age, including the active, newly-retired through to very frail older people, whose housing needs can encompass accessible, adaptable general

²³ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75% (though this was lowered in 2021 to a minimum of 10%), and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales

occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

Sheltered Housing²⁴

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (former NPPF 2012 Definition)

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

Specialist Housing for Older People

Specialist housing for Older People, sometimes known as specialist accommodation for older people, encompasses a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups (usually 55+ or 65+). This could include residential institutions, sometimes known as care homes, sheltered housing, extra care housing, retirement housing and a range

²⁴ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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.