

Scraptoft

Housing Needs Assessment (HNA)

January, 2025

Quality information

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Revision History

Revision	Date	Authorized	Position
1. First Draft	November, 2024	MK	Senior Consultant
2. Internal Review	November 2024	KP	Associate Director
3. Group Review	December, 2024	GK	Consultant to Parish Council
4. Locality Review	January, 2025	MG	Neighbourhood Planning Officer
5. Final Report	January, 2025	MK	Senior Consultant

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List of acronyms used in the text:

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
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OA	Output Area
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

- 1.1.1. Scraptoft is a Neighbourhood Area (NA) located in the district of Harborough. The NA boundary covers the area administered by Scraptoft Parish Council.
- 1.1.2. The 2021 Census recorded 2,967 individuals in Scraptoft, indicating a 65% increase since the 2011 Census.
- 1.1.3. There has been significant development in Scraptoft in recent years. Harborough District Council has provided data showing that 539 new homes have been built since 2011.
- 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 Scraptoft Neighbourhood Plan Steering Group 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 Office for National Statistics (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. Conclusions – Affordability and Affordable Housing

Current tenure profile

- 1.2.1. Home ownership is the dominant tenure in Scraptoft at 78% of all households, which is slightly higher than the average across Harborough. Of the remaining households, social rented and private rented homes are broadly comparable to the wider district, with both occupying around 9% of the overall tenure profile. However, there is a smaller proportion of private rented homes in Scraptoft, than the district average (14%). There is also a notable proportion of shared ownership dwellings in the NA.
- 1.2.2. There has been a quite significant increase in the number of dwellings in Scraptoft over the last decade, which is borne out in notable proportional increases (see Table 4-2) in the number of shared ownership dwellings and social rentals. However, in terms of the absolute figures the largest increase has been in the number of home owners.

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

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

Affordability

- 1.2.3. Home values in Scraptoft have followed a clear upward trajectory over the last decade. The current median house price (middle number when arranged from lowest to highest) is £270,000, which is 35% higher than the median in 2013. The lower quartile price (the lowest 25% of prices, used as a good proxy for entry-level housing) sits at £150,000 and is 7% higher than the 2013 LQ figure.
- 1.2.4. It is worth noting that the current median house price in Scraptoft is slightly less expensive than the current median for the Harborough district as a whole.
- 1.2.5. AECOM has estimated the annual income required to afford various tenures of housing in Scraptoft. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in the NA was £48,300 in 2020, and the lower quartile income (per person) was £20,500.
- 1.2.6. It was found that the median house price in Scraptoft would require an annual income of around 45% above the average household income. However, entry level housing is affordable to average income households, but may be out of reach for lower earning households.
- 1.2.7. Private renting presents a similar affordability picture, where average rents are affordable to average income households but not lower earning households. However, both income groups could afford entry level rents. Households made up of a single lower earner could not afford to rent or buy in the market and may need to rely on social and affordable rented options.
- 1.2.8. Subsidised routes to home ownership like First Homes and shared ownership are intended to target people who can afford to rent but not to buy. In Scraptoft, there is a gap between the income needed to afford to rent (£34,000) and to buy (£44,000), and people within this income bracket may benefit from these products.
- 1.2.9. The discount on First Homes can be set at 30%, 40% or 50% in Neighbourhood Plans. In Scraptoft, a 30% discount would meaningfully expand access to both average earning households and those with two lower earners. If seeking to take action on this point in the Neighbourhood Plan, the Steering Group are advised to discuss this possibility with Harborough District Council, who may be able to supply evidence of development viability that is also relevant to this policy area.
- 1.2.10. Both social and affordable rented housing appears generally affordable to households with a single lower earner on the basis of their earnings alone, but low income households may be entitled to housing benefit to support their rental costs depending on their particular circumstances.

The need for Affordable Housing

- 1.2.11. Following the latest Leicester and Leicestershire HENA, AECOM estimate that there is an annual need for 7.7 social/affordable rented units per annum in Scraptoft (or 131 over the Neighbourhood Plan period (2024-2041). AECOM also estimate there will be

potential demand for 5.6 affordable home ownership dwellings (or 95 over the Neighbourhood Plan period (2024 – 2041)). Both of these estimates are based on the NA's share of the district's population and the level of need identified in the district as a whole. Given Scraptoft's location on the edge of Leicester it is likely that the NA is meeting some of the wider needs of the City as well as the wider needs of households within Harborough district.

Affordable Housing policy

- 1.2.12. Affordable Housing is typically provided and made financially viable by Local and Neighbourhood Plan policies that require it to be included at a set proportion of market housing developments. The adopted Harborough Local Plan policy on this subject requires 40% of all new housing (on sites delivering 10 or more dwellings) to be provided as affordable housing.
- 1.2.13. AECOM recommends that the tenure mix of Affordable Housing secured in future years is weighted in favor of meeting a majority of the need for social/affordable rental homes. Although AECOM's modelling suggests there is a higher demand for affordable home ownership dwellings, the households eligible for such homes do not necessarily lack their own housing but would prefer to buy rather than rent. Whereas it can be assumed that the need identified for social/affordable rental is a lot more acute, leaving households who require these types of homes with very few alternative housing choices.
- 1.2.14. As such, this HNA would recommend a tenure split of 60% social/affordable rental and 40% affordable home ownership. This indicative tenure mix deviates slightly from the adopted district wide policy but is a response to the modelling results alongside the unique characteristics of Scraptoft. However, it should be noted that applying this indicated tenure split to the approximate residual figure of housing allocations would comfortably meet the full affordable housing need and demand identified in this HNA.
- 1.2.15. There is no obligation to follow this recommendation or to depart from adopted Local Plan policy if that is more in line with the community's objectives. Further discussion with Harborough District Council about the options and their advice would be beneficial and could cover issues beyond the scope of this report, such as development viability.
- 1.2.16. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

1.3. Conclusions – Type and Size

The current housing mix

- 1.3.1. The current dwelling mix in Scraptoft is dominated by detached and semi-detached homes, which cumulatively make up four fifths of the overall stock. There is a correspondingly smaller stock of terraced dwellings and a very small proportion of flats. However, the dwelling mix generally reflects the average across Harborough, other than some minor proportional variation within each dwelling category.
- 1.3.2. The Census does not separate Bungalows as their own separate dwelling category. However, VOA data suggests that 15% of all dwellings in Scraptoft are bungalows.
- 1.3.3. In terms of size, the size profile of homes in Scraptoft generally tracks that of Harborough in proportional terms. Both areas are characterised by a higher proportion of 3-bedroom and 4+ bedroom homes and a correspondingly fewer 1- and 2-bedroom homes.

Population characteristics

- 1.3.4. The Scraptoft population has grown quite significantly over the last decade (+65%), which generally corresponds with the significant rate of development experienced over the last decade. This population growth generally appears most dramatic in groups aged between 25-44 and 0-14, which suggests a steady in migration of newly forming families from neighbouring areas. There has also been notable growth in the population aged 85+, pointing toward an ageing trend in the traditional population.
- 1.3.5. The evidence would suggest that the new homes that have been built in Scraptoft have been accessible to the younger population. However, growth in the older population would support the delivery of small homes, which may be more suitable for downsizing.
- 1.3.6. Household projections suggest that Scraptoft's population will continue to age over the NP period, with a potential 104% increase in the population aged 65 and over. The projections also suggest that the younger population cohorts in the NA will continue to grow over the NP period, but at a much slower rate. It should be noted that these estimates are informed by population projections for the wider district and may be more moderate in reality given recent development in the NA and apparent in-migration of younger family households.

Future population and size needs

- 1.3.7. It is possible to estimate the size mix of future homes that might best accommodate demographic trends and address imbalances in the existing housing stock. The result of this process suggests that new development should deliver a variety of dwelling sizes.
- 1.3.8. For Scraptoft, the model recommends future housing delivery should deliver a range of dwelling sizes, but with a focus on 3 or 4+ bedroom homes (78%), which is slightly higher than the recommendation in the Leicester and Leicestershire HENA.

- 1.3.9. However, if the Scraptoft Neighbourhood Plan Steering Group are seeking to improve affordability in the NA there may be justification to provide more smaller and modest sized homes (1 and 2 bed homes) to improve downsizing opportunities and modest sized homes for younger people. This does not ensure new homes will be affordable to these households, although affordability analysis in this report suggests these homes are accessible for average and some lower earning households. Nonetheless, provision of some smaller properties means they are likely to be relatively more affordable compared to much larger properties.
- 1.3.10. 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. Conclusions – Specialist Housing for Older People

Characteristics of the current older population

- 1.4.1. There are currently estimated to be around 210 individuals aged 75 or over in Scraptoft, a number that has grown from 192 in 2011 and is projected to rise to 369 by the end of the Neighbourhood Plan period (2041).
- 1.4.2. A clear majority (78%) of Harborough's households aged between 55 – 75 in 2011 (and therefore likely to reach the 75+ bracket by 2041) are owner occupiers and the remainder predominantly rent from a social landlord. This is important because those currently owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent may need subsidised rented housing because they are unlikely to have the funds to buy.

Projected demographic change and need for specialist housing

- 1.4.3. The 75+ population of the NA is projected to increase from 7% to 11% of the overall population between 2024 and 2041. The growth in the older population should be converted into households because some older people will be cohabiting in old age. The projected growth in the older population points to 13 new households made up of persons aged 75+ over the Neighbourhood Plan period.
- 1.4.4. 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.
- 1.4.5. The two methods for estimating the future need in Scraptoft produces a range of 40 to 56 specialist accommodation units that might be required during the plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.
- 1.4.6. Broadly, between 65-90% of the need is likely to be for market purchase. Moreover, between 50-70% of the need can be accommodated through either sheltered

accommodation or adaptations to the existing housing stock, rather than new extra care options. The potential need for care and nursing home beds in Scraptoft by 2038 can be estimated at roughly 14.

- 1.4.7. The main unmet need in Scraptoft is for market sheltered accommodation (or accommodation which would deliver similar attributes) and in some cases this need may be satisfied by new housing that is accessible and adaptable for people with lower support needs. It is unknown whether Scraptoft is expecting any delivery of specialist accommodation over the plan period. However, if the number of dwellings allocated to the NA through the Local Plan are developed in full, and the provision of specialist accommodation is included it would meaningfully contribute to the need identified in this HNA.

2. Context

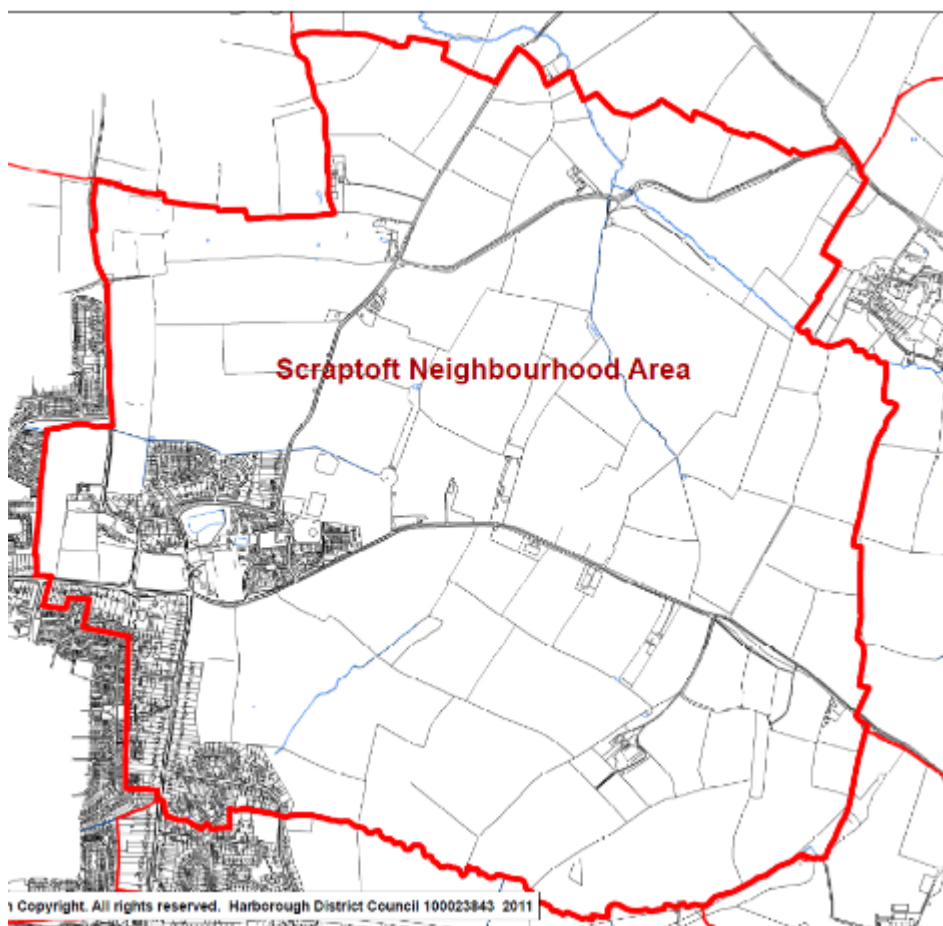
2.1. Local context

- 2.1.1. Scraptoft is a Neighbourhood Area (NA) located in the district of Harborough in the East Midlands. The NA boundary follows the existing parish boundary and was designated in 2012.
- 2.1.2. A neighbourhood plan for Scraptoft was made in 2016, with a plan period of 2015 – 2028. The Scraptoft Neighbourhood Plan Steering Group are currently updating their Neighbourhood Plan, which will extend the plan period until 2041. The evidence supplied in this report will look forward to the Plan end date of 2041, but where possible will provide annualised figures which can be extrapolated to a different term if the Neighbourhood Plan period changes.
- 2.1.3. Scraptoft is a village on the outskirts of the city of Leicester which is connected to the built-up area of the east of the city, approximately 3 miles from Leicester city centre. The village is accessed by the A47 which runs approximately 1 mile below the southern boundary of the NA and extends into the centre of Leicester. The closest train station to the NA is in Leicester.
- 2.1.4. The NA is a residential settlement, effectively part of the outer suburbs of Leicester, with limited-service provision. It does however have some small shops, a church and other small to medium sized businesses. It is likely that residents in Scraptoft use Leicester as their main service centre.

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 Scraptoft is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Scraptoft Neighbourhood Area



Source: *Scraptoft Designated Neighbourhood Area*³

- 2.2.2. At the time of the 2021 Census the NA was home to 2,967 residents, formed into 1,152 households and occupying 1,198 dwellings. The 2021 Census indicates population growth of around 1,163 individuals (or 65%) since 2011, when the census recorded a total of 1,804 residents and 734 households. The average household size grew from 2.4 people per household in 2011 to 2.6 in 2021.
- 2.2.3. Completions data provided by Harborough District Council indicate that between 2011 and 2024, 539 dwellings were completed in Scraptoft. The difference between the 2011 and 2021 Censuses indicates an additional 418 dwellings, which is substantially lower than the completions data provided. An annual breakdown of when new dwellings completed in Scraptoft was not available, however it is likely that the 150 new dwellings not included in the 2021 census figures were either unoccupied or not yet completed when the Census was counted. Therefore, the estimated total number of dwellings in Scraptoft is 1,307 (2011 Census results (768 dwellings) + completions between 2011 and 2024). As such, dwellings (similar to households) have broadly kept up with population growth.

2.3. The housing market area context

- 2.3.1. Whilst this Housing Needs Assessment (HNA) focuses on Scraptoft NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch

³ Available at https://www.harborough.gov.uk/download/downloads/id/1736/scraptoft_neighbourhood_area_designation.pdf

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 Scraptoft, the NA sits within a housing market area which covers Leicester and Leicestershire Housing Market Area (HMA), which includes the Local Authorities of Leicester, Oadby and Wigston, Blaby, Hinkley and Bosworth, North West Leicestershire, Charnwood, Melton and Harborough⁴. 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, and for Harborough and Scraptoft which are set to the southeast of the Leicester and Leicestershire HMA there are also likely to be links to Peterborough and Northampton.
- 2.3.3. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Scraptoft, are closely linked to other areas. In the case of Scraptoft, changes in need or demand in settlements, including the city of Leicester, and given Scraptoft's close proximity to the city boundary it is highly likely to impact on the neighbourhood.
- 2.3.4. In summary, Scraptoft functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Harborough District Council), 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.⁵ In the case of Harborough District Council, the relevant adopted Local Plan is the Harborough Local Plan (2011 to 2031), adopted in 2019.
- 2.4.2. 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:
- Local Plan Policy SS1 identifies an overall housing target of 12,800 homes per year for the district;
 - In Policy SS1 Scraptoft is designated as part of the Leicester Principal Urban Area. Land at Scraptoft North is allocated through the plan to accommodate 1,200 new dwellings over the plan period;
 - Policy H2 states that 40% of all new dwellings are expected to be delivered as Affordable Housing on sites larger than 10 homes. The suggested tenure mix

⁴ Available at: <https://www.llestrategicgrowthplan.org.uk/wp-content/uploads/2022/07/Final-HENA-Report-June-22.pdf>

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

within Affordable Housing is 75% affordable rent to 25% affordable home ownership;

- Policy H4 sets out an expectation that specialist accommodation for older people will be sought at a rate of 10% of all dwellings proposed on sites of more than 100 dwellings.

2.5. Quantity of housing to provide

- 2.5.1. The NPPF 2024 (paragraphs 69 and 70) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
- 2.5.2. Harborough District Council has fulfilled that requirement by providing Scraptoft with site allocations for 1,200 new dwellings to be completed by the end of the Local Plan period (2011 – 2031). Completions data provided by Harborough District Council indicate that in 2024, 539 of these dwellings were completed from 2011 to 2024.
- 2.5.3. As such, it can be assumed there is a residual housing requirement of approximately 661 dwellings to be completed over the Neighbourhood Plan period (2024 - 2041). However, it should be noted that these dwellings are already allocated through the Harborough Local Plan.

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 the Scraptoft Neighbourhood Plan Steering Group. 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 adopt some local variety where this is supported by the evidence.

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 people need.

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

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

- 3.1.7. In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The 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 relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:
- To review the **current provision** of specialist housing in the NA;
 - To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
 - To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.
- 3.1.10. 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 [Home.co.uk](https://www.home.co.uk);
 - Local Authority housing waiting list data; and
 - Leicester & Leicestershire Housing & Economic Development Needs Assessment (2022).
- 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 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 2.⁶

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 Scraptoft compared with Harborough and England from the 2021 Census. It shows that home ownership is the dominant tenure in Scraptoft (78%), which is higher than the district average (76%). An additional 3.7% of households are shared owners, compared to 2% across Harborough. The higher rate in the NA is likely to reflect the high rate of development experienced in the NA over the last decade.
- 4.3.3. The social rented sector accounts for 9% of all households in Scraptoft, which is broadly the similar to the Harborough average (9%) but substantially lower than the national level of 17%. The private rented sector in Scraptoft also occupies around 9% of the overall tenure profile, which is smaller than the average across Harborough (14%) and England (20.6%).

Table 4-1: Tenure (households) in Scraptoft and comparator geographies, 2021

Tenure	Scraptoft	Harborough	England
Owned	78.0%	75.8%	61.3%
Shared ownership	3.7%	2.0%	1.0%
Social rented	9.0%	8.7%	17.1%
Private rented	9.3%	13.5%	20.6%

Sources: Census 2021, AECOM Calculations

- 4.3.4. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). There has been a quite significant number of new homes delivered in Scraptoft in the last decade, and this appears to be borne out in the changes presented in Table 4-2.
- 4.3.5. The most striking proportional change is the increase in shared ownership (+258%) and socially rented (+131%) dwellings. However, when looking at the absolute figures the table indicates that the vast majority of additional households in the NA have been homeowners, with 306 more home ownership dwellings in 2021 than there were in 2011.
- 4.3.6. It is also worth noting that there has been slower growth in private rented sector. This could be interpreted as a positive indication that the delivery of new homes has allowed more local residents to access home ownership.

⁶ 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>.

- 4.3.7. The number of households living in Social Rented homes has more than doubled over the decade. Again, reflecting the delivery of a large number of new homes and consequent expansion in the availability of Affordable Homes including for Social Rent.

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

Tenure	2011	2021	% Change
Owned	592	898	51.7%
Shared ownership	12	43	258.3%
Social rented	45	104	131.1%
Private rented	85	107	25.9%

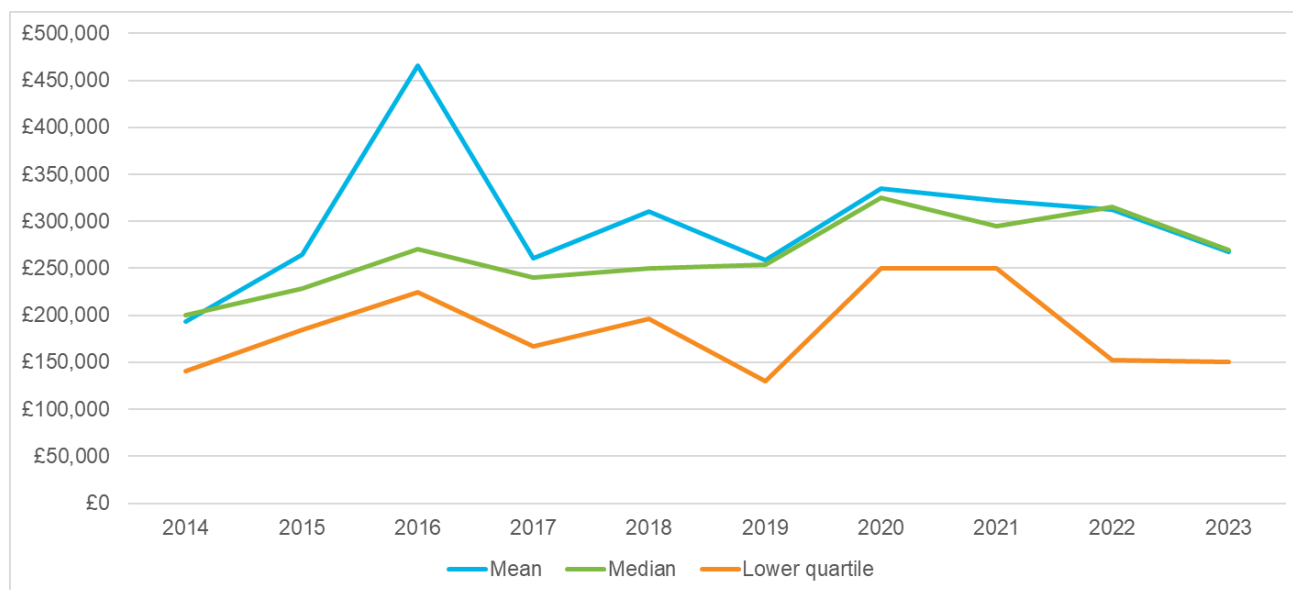
Sources: Census 2021 and 2011, AECOM Calculations

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 Scraptoft based on sales price data published by the Land Registry. It shows that median house prices, which represent the middle number when the data is sorted from smallest to largest, have experienced relatively steady upward growth over the last decade.
- 4.4.3. The current median house price in Scraptoft is £270,000, which is 35% higher than the median price in 2013. The graph shows that the current mean is broadly the same as the median, sitting at £268,000 and is 39% higher than in 2013. Because the mean reflects every transaction in the sample there is potential for outlying data to skew the overall result (which is usually higher than the median). This can be seen in Figure 4-1, where the mean sits above the median in several of the date points on the graph. The mean also reflects more dramatic fluctuations in price, particularly in 2016 and 2018 where the mean sits much higher than the median.
- 4.4.4. The current lower quartile (LQ) price, which is the middle figure of the lowest 50% of sale and acts as a good representation of entry level housing, stands at £150,000 and is 7% higher than the 2013 LQ figure.
- 4.4.5. House prices in Scraptoft appear to be slightly cheaper than the district as a whole, where the 2023 median house price was £325,000.

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



Source: Land Registry PPD

4.4.6. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that semi-detached dwellings have appreciated in price faster than other housing types (+55%), however only at a slightly faster rate than both detached (+51%) and terraced dwellings (+53%). It is worth noting that detached are much more expensive (+£100K) than other dwelling types recorded in the table.

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

Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Growth
Detached	£232K	£295K	£333K	£323K	£343K	£371K	£365K	£368K	£422K	£350K	50.5%
Semi-detached	£165K	£190K	£233K	£204K	£210K	£215K	£237K	£250K	£266K	£255K	54.5%
Terraced	£100K	£160K	£201K	£204K	£191K	£130K	£308K	£208K	£134K	£152K	52.8%
Flats	£108K	£146K	£149K	£105K	£101K	£100K	£118K	£130K	£125K	£148K	37.7%
All Types	£200K	£228K	£270K	£240K	£250K	£254K	£326K	£295K	£315K	£270K	35.0%

Source: Land Registry PPD

Income

4.4.7. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.

4.4.8. 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 £48,300 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.

4.4.9. 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. Harborough's gross individual lower quartile annual earnings were £20,500 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £41,000.

- 4.4.10. It is clear from this data that there is a gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

- 4.4.11. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.4.12. AECOM has determined thresholds for the income required in Scraptoft to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
- 4.4.13. 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.
- 4.4.14. 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 Scraptoft (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £48,300	Affordable on LQ earnings (single earner)? £20,500	Affordable on LQ earnings (2 earners)? £41,000
Market Housing						
Median House Price	£242,955	-	£69,416	No	No	No
Estimated NA New Build Entry-Level House Price	£153,756		£43,930	Yes	No	No
LQ/Entry-level House Price	£135,065	-	£38,590	Yes	No	Yes
LA New Build Median House Price	£332,978	-	£95,136	No	No	No
Average Market Rent	-	£14,400	£48,000	Yes	No	No
Entry-level Market Rent	-	£10,200	£34,000	Yes	No	Yes
Affordable Home Ownership						
First Homes (-30%)	£107,629	-	£30,751	Yes	No	Yes
First Homes (-40%)	£92,254	-	£26,358	Yes	No	Yes
First Homes (-50%)	£76,878	-	£21,965	Yes	No	Yes
Shared Ownership (50%)	£76,878	£2,136	£29,084	Yes	No	Yes
Shared Ownership (25%)	£38,439	£3,203	£21,660	Yes	No	Yes
Shared Ownership (10%)	£15,376	£3,844	£17,206	Yes	Yes	Yes
Affordable Rented Housing						
Affordable Rent	-	£5,980	£19,933	Yes	Yes	Yes
Social Rent	-	£4,732	£15,773	Yes	Yes	Yes

Source: AECOM Calculations

4.4.15. 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

4.4.16. Thinking about housing for purchase on the open market, entry level homes are affordable to average earning households, and those made up of two lower earners. Average market housing may be out of reach to most, but could be accessible to those who benefit from a higher than average income. The median house price would require an annual income 45% higher than the current average.

4.4.17. Average private rents are generally only affordable to average income households. Households made up of two lower quartile earners may be able to afford entry level rents however. 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

- 4.4.18. There is a number of households in Scraptoft who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £34,000 per year (at which point entry-level rents become affordable) and £44,000 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
- 4.4.19. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
- 4.4.20. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. First Homes at a discount of 30% would be affordable to average households and households made two lower earners. However, these households can already afford lower quartile priced properties on the open market. Higher discounts of 40-50% do not appear to be needed here on the basis of this affordability analysis.
- 4.4.21. It should be noted that for Scraptoft the LQ new build figure used to establish the estimated cost of First Homes is heavily influenced by the sale of flats and terraced dwellings, meaning the estimated cost of new build housing was £170,000 in 2023. Appendix C of this report provides detail on the relationship between the average build costs across the UK and sale prices of discounted market housing.
- 4.4.22. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide First Homes. 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 Scraptoft Neighbourhood Plan Steering Group intend to set a higher First Homes discount level than that set at district level, further discussions with the LPA are advised.
- 4.4.23. Shared ownership appears to be more affordable than First Homes but is broadly accessible to the same groups (i.e. households on average incomes and two LQ earners). The minimum equity share for shared ownership is now 10% of the property value.⁷ If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared

⁷ 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>.

ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

4.4.24. Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership quite significantly. However, discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, comparable to First Homes and Shared Ownership. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

4.4.25. These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:

- Discount 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 First Homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

Affordable rented housing

4.4.26. 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 Scraptoft.

4.4.27. Affordable rented housing is generally affordable to households with one lower earner as well as other households, depending on their household size.

- 4.4.28. 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)⁸.
- 4.4.29. 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.
- 4.4.30. 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.
- 4.4.31. 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.
- 4.4.32. 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 LHNAs. If the neighbourhood group wishes to develop localized 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 affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

Evidence in the Housing and Economic Needs Assessment

- 4.5.2. A Housing and Economic Needs Assessment was undertaken for Leicester and Leicestershire in 2022. This study estimates the need for affordable housing in the across the eight LPA's which make up the Housing Market Area, based on analysis of

⁸ [National Planning Policy Framework](#)

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 HENA identifies the need for 254 additional social/affordable homes per annum across Harborough district. When the HENA figures are pro-rated to Scraptoft, based on its fair share of the population (3.04% of the Harborough population (2021 Census)), this equates to 7.7 affordable homes per annum or 131 over the Neighbourhood Plan period (2024 – 2041). The HENA also suggests there is a demand for 185 affordable home ownership dwellings per annum for the district. This equates to 5.6 (based on Scraptoft's share of the overall population) per annum, or 95 units over the Neighbourhood Plan period.
- 4.5.4. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

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. Harborough District Council's adopted policy on this subject H2 requires 40% of all new housing to be affordable. Harborough District Council could not provide Affordable Housing completions for all completions between 2011 and 2024. However, they have provided data between 2018 and 2024, which suggests that of the 229 dwellings delivered in this time frame, 31% were provided as Affordable Housing (70 units). As such, it can be assumed that the full 40% target is not fully met on sites in the NA, nevertheless, delivery of Affordable Housing in recent years appear to have been relatively strong.
- 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.
- 4.6.4. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is specified in Local Plan policy H2.

Affordable Housing at Neighbourhood level

4.6.5. 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 Scraptoft on the basis of identified housing need and a range of other considerations detailed in Appendix D.

- Based on its fair share of the district's need for Affordable Housing identified in the HENA, there is a robust need for both social and affordable rented dwellings (131 units), and notable potential demand for affordable home ownership dwellings (95 units) over the Scraptoft Neighbourhood Plan period (2024 – 2041).
- Applying the adopted Harborough Local Plan target of 40% to residual housing allocations (661) in the NA suggests there is the potential for 264 new affordable homes to be built in the NA over the Neighbourhood Plan period (2024 -2041). If these dwellings were built out in full it would meet all of the Affordable Housing need and demand identified in this HNA.
- Given the affordability challenges expressed in this chapter, and the vital role social/affordable housing plays in addressing the most acute form of housing need, any tenure split of Affordable Housing in Scraptoft should be weighted in favor of social/affordable housing. Despite a notable increase in supply of social/affordable housing (+59 units), maintaining this supply would help clear backlog of need identified on the waiting list provided by Harborough District Council, and provide a good housing option for lower earning households (particularly those with a single earner).
- AECOM estimates, based on the Leicester and Leicestershire HENA, a robust demand for affordable routes to homeownership, which the previous sections of the report find to be a meaningful route to homeownership for average and some lower earning (i.e. those made up of 2 LQ earners) households. As such, a notable proportion of any tenure split for Affordable Housing should help to meaningfully contribute to the demand for affordable home ownership identified in this HNA.
- As such, a split of 60% rented and 40% ownership tenures is proposed to balance these factors. Such a mix would help meet some of the high demand for affordable home ownership products, whilst also maintaining a supply of social/affordable rented homes to meet the most acute affordability challenges in Scraptoft.
- It should be noted that this split deviates slightly from the 75% rented 25% ownership split recommended in the Harborough Local Plan. The NPPF 2024 removes the requirement to provide 25% of all Affordable Homes as First Homes. The split recommended here reflects current national policy guidance and allows some flexibility when deciding the appropriate mix of affordable ownership tenures. It is worth also noting that other factors that cannot be meaningfully addressed in this HNA, such as viability or site-specific constraints, can also influence the tenure of affordable housing options. Nevertheless, any deviation from the tenure mix presented in the Harborough Local Plan is left as a matter for

discussion between the Neighbourhood Plan Steering Group and Harborough District Council.

- 4.6.6. Where the Scraptoft Neighbourhood Plan Steering Group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Harborough District 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.

Table 4-5: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	40%	
First Homes / Discount Market Sale	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	10-15%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	0-5%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	60%	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

4.7. Conclusions- Affordability and Affordable Housing

Current tenure profile

- 4.7.1. Home ownership is the dominant tenure in Scraptoft at 78% of all households, which is slightly higher than the average across Harborough. Of the remaining households,

social rented and private rented homes are broadly comparable to the wider district, with both occupying around 9% of the overall tenure profile. However, there is a smaller proportion of private rented homes in Scraptoft, than the district average (14%). There is also a notable proportion of shared ownership (4%) dwellings in the NA.

- 4.7.2. There has been a quite significant increase in the number of dwellings in Scraptoft over the last decade, which is borne out in notable proportional increases in the number of shared ownership dwellings and social rentals. However, in terms of the absolute figures the largest increase has been in the number of home owners.

Affordability

- 4.7.3. Home values in Scraptoft have followed a clear upward trajectory over the last decade. The current median house price (middle number when arranged from lowest to highest) is £270,000, which is 35% higher than the median in 2013. The lower quartile price (the lowest 25% of prices, used as a good proxy for entry-level housing) sits at £150,000 and is 7% higher than the 2013 LQ figure.
- 4.7.4. It is worth noting that the current median house price in Scraptoft is slightly less expensive than the current median for the Harborough district as a whole.
- 4.7.5. AECOM has estimated the annual income required to afford various tenures of housing in Scraptoft. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in the NA was £48,300 in 2020, and the lower quartile income (per person) was £20,500.
- 4.7.6. It was found that the median house price in Scraptoft would require an annual income of around 45% above the average household income. However, entry level housing is affordable to average income households, but may be out of reach for lower earning households.
- 4.7.7. Private renting presents a similar affordability picture, where average rents are affordable to average income households but not lower earning households. However, both income groups could afford entry level rents. Households made up of a single lower earner could not afford to rent or buy in the market and may need to rely on social and affordable rented options.
- 4.7.8. Subsidised routes to home ownership like First Homes and shared ownership are intended to target people who can afford to rent but not to buy. In Scraptoft, there is a gap between the income needed to afford to rent (£34,000) and to buy (£44,000), people within this income bracket may may benefit from these products.
- 4.7.9. The discount on First Homes can be set at 30%, 40% or 50% in Neighbourhood Plans. In Scraptoft, a 30% discount would meaningfully expand access to both average earning households and those with two lower earners. If seeking to take action on this point in the Neighbourhood Plan, the Steering Group are advised to discuss this possibility with Harborough District Council, who may be able to supply evidence of development viability that is also relevant to this policy area.

- 4.7.10. Both social and affordable rented housing appears generally affordable to households with a single lower earner on the basis of their earnings alone, but low income households may be entitled to housing benefit to support their rental costs depending on their particular circumstances.

The need for Affordable Housing

- 4.7.11. Following the latest Leicester and Leicestershire HENA, AECOM estimate that there is an annual need for 7.7 social/affordable rented units per annum in Scraptoft (or 131 over the Neighbourhood Plan period (2024-2041)). AECOM also estimate there will be potential demand for 5.6 affordable home ownership dwellings (or 95 over the Neighbourhood Plan period (2024 – 2041)). Both of these estimates are based on the NA's share of the district's population and the level of need identified in the district as a whole. Given Scraptoft's location on the edge of Leicester it is likely that the NA is meeting some of the wider needs of the City as well as the wider needs of households within Harborough district.

Affordable Housing policy

- 4.7.12. Affordable Housing is typically provided and made financially viable by Local and Neighbourhood Plan policies that require it to be included at a set proportion of market housing developments. The adopted Harborough Local Plan policy on this subject requires 40% of all new housing (on sites delivering 10 or more dwellings) to be provided as affordable housing.
- 4.7.13. AECOM recommends that the tenure mix of Affordable Housing secured in future years is weighted in favor of meeting a majority of the need for social/affordable rental homes. Although AECOM's modelling suggests there is a higher demand for affordable home ownership dwellings, the households eligible for such homes do not necessarily lack their own housing but would prefer to buy rather than rent. Whereas it can be assumed that the need identified for social/affordable rental is a lot more acute, leaving households who require these types of homes with very few alternative housing choices.
- 4.7.14. As such, this HNA would recommend a tenure split of 60% social/affordable rental and 40% affordable home ownership. This indicative tenure mix deviates slightly from the adopted district wide policy but is a response to the modelling results alongside the unique characteristics of Scraptoft. However, it should be noted that applying this indicated tenure split to the approximate residual figure of housing allocations would comfortably meet the full affordable housing need and demand identified in this HNA.
- 4.7.15. 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)⁹.
- 4.7.16. 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

⁹ [National Planning Policy Framework](#)

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 localized policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

4.7.17. There is no obligation to follow this recommendation or to depart from adopted Local Plan policy if that is more in line with the community's objectives. Further discussion with Harborough District Council about the options and their advice would be beneficial and could cover issues beyond the scope of this report, such as development viability.

Table 4-6 summarises Scraptoft'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 4-6: Estimated delivery of Affordable Housing in Scraptoft

Step in Estimation		Expected delivery
A	Residual sum of housing allocations	661
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	264
D	Rented % (e.g. social/ affordable rented)	60%
E	Rented number (C x D)	158
F	Affordable home ownership % (e.g. Shared Ownership, Discount Market Sale, First Homes, Rent to Buy)	40%
G	Affordable home ownership number (C x F)	105

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

4.7.18. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood

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

5. Type and Size

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

Definitions

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

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

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

5.2. The current housing mix

- 5.2.1. This section establishes the current housing mix of Scraptoft, highlighting recent changes to it and comparing the mix to wider averages.
- 5.2.2. There are currently 1,198 dwellings in Scraptoft according to the 2021 Census. This reflects an increase of 430 dwellings since the 2011 Census when the total was 768. Completions data provided by Harborough District Council indicate there have been 539 new dwellings built between 2011 and 2024. This number is higher than the difference between the 2011 and 2021 Censuses. However, it is likely that a number of these dwellings were either unoccupied or building had not yet been completed during the counting of the 2021 Census. Therefore, the current estimated housing stock in Scraptoft is 1,307 (Census 2011 + completions since 2011).

Dwelling type

- 5.2.3. Table 5-1 below shows the breakdown of different types of housing available in Scraptoft. The most common housing type is detached dwellings, which make up just under half of all homes in the NA. It is also worth noting that semi-detached dwellings make up approximately a third of the dwelling stock, meaning cumulatively detached and semi-detached dwellings making up approximately four fifths of the overall dwelling stock. The remainder is made up of terraced dwellings (14%) and a smaller proportion of flats (8%).
- 5.2.4. Table 5-1 also presents figures from 2011, to give an understanding of how the housing stock has changed over the last decade. However, despite the significant rate of development experienced in the NA over the last decade, this has not resulted in any a significant change to the housing profile in Scraptoft in terms of accommodation type. This means that the new homes that have been delivered in Scraptoft have generally followed the existing pattern of development in the village.

- 5.2.5. Nonetheless, when looking at the absolute figures, there are 209 more detached dwellings and 113 more semi-detached dwellings than there were in 2011, despite these being the dominate accommodation types in 2011. It is also worth noting there have been very few flats built, and this type of home has a lower proportional share than it did in 2011.
- 5.2.6. The limited offering of flats and terraced dwellings, which tend to be the smallest and thus most affordable dwellings in any given location, may present affordability challenges to first time buyers and newly forming families. This may also limit opportunities in the NA for downsizing among the older population.

Table 5-1: Accommodation type, Scraptoft, 2011-2021

Type	2011	%	2021	%
Detached	320	41.7%	529	45.7%
Semi-detached	266	34.6%	379	32.8%
Terrace	98	12.8%	159	13.7%
Flat	83	10.8%	89	7.7%
Total	768		1,157	

Source: ONS 2021 and 2011, AECOM Calculations

- 5.2.7. Table 5-2 compares the NA to wider benchmarks. It shows that the housing profile in Scraptoft generally follows that seen across Harborough, where the majority of homes in both the NA and district are either detached or semi-detached dwellings. The district also has a similar proportional share of terraced dwellings and flats, albeit with a slightly higher proportion of terraced dwellings seen across the district.
- 5.2.8. The Census does not separate out bungalows as a separate housing type, however data from the Valuation Office Agency (VOA) can be used to identify bungalows in the NA. For Scraptoft, VOA data suggests that 15% of all housing stock is made up of bungalows, which is slightly higher than the proportion seen across Harborough (12%). However, there are limitations in the VOA data. Firstly, it is collected at LSOA level, which does not fully reflect the NA boundary (see Appendix A). Also, VOA data is rounded to the nearest 10, meaning that the total is not as precise as the Census. Nonetheless, it is likely that a notable proportion of the detached and semi-detached dwellings in the NA are bungalows.

Table 5-2: Accommodation type, Scraptoft and comparator geographies, 2021

Type	Scraptoft	Harborough	England
Detached	45.7%	48.8%	22.9%
Semi-detached	32.8%	29.2%	31.5%
Terrace	13.7%	14.4%	23.0%
Flat	7.7%	7.0%	22.2%

Source: Census 2021, AECOM Calculations

Dwelling size

- 5.2.9. Table 5-3 below presents the current housing mix in terms of size compared to the wider local authority and country. It shows the NA is dominated by larger homes with more than 3 bedrooms, which cumulatively make up approximately three quarters of

all dwellings in the NA. In turn, there is a smaller proportion of 2 bedroom homes and a very small proportion of 1 bed homes when compared to the other dwelling sizes.

5.2.10. The table also presents figures from 2011 to show how the mix has changed over the last 10 years. The most pronounced change to the dwelling stock over the last decade is the significant increase in larger 4+ bedrooms, where there has been an increase of approximately 206 new dwellings, which is 49% of all new homes built between 2011 and 2021. A further 32% of new homes have had 3 bedrooms, meaning the NA dwelling stock skews larger than it did in 2011.

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

Number of bedrooms	2011	%	2021	%
1	45	6.1%	58	5.0%
2	186	25.3%	255	22.0%
3	298	40.6%	433	37.4%
4+	205	27.9%	411	35.5%
Total	734		1,157	

Source: ONS 2021 and 2011, AECOM Calculations

5.2.11. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Table 5-4 shows that Scraptoft has a similar size mix to Harborough, where 36% of homes have 4+ bedrooms. The NA has a slightly higher proportion of 3-bedroom homes than the district (37%) and the same proportion of 2-bedroom homes (22%). Both the NA and district have a very small proportion of 1-bedroom homes. It is worth noting that Scraptoft's location on the edge of Leicester means that it is likely the NA contributes to wider choice within the Leicester market. Leicester itself being dominated by smaller properties, particularly in the centre. As such, whilst the NA mirrors the wider district in terms of dwelling mix, it also contrast and complements Leicester's housing offer.

Table 5-4: Dwelling size (bedrooms), Scraptoft and comparator geographies, 2021

Number of bedrooms	Scraptoft	Harborough	England
1	5.0%	5.7%	11.6%
2	22.0%	21.6%	27.3%
3	37.4%	35.9%	40.0%
4+	35.5%	36.8%	21.1%

Source: Census 2021, 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. The table shows that there has been quite a significant increase in the overall population in the NA, which grew by 65% over the last decade meaning

there are now 1,163 more people living in Scraptoft than there were in 2011. The table shows that the most notable changes appear to be occurring in the population between 0-14 (+117%), 25-44 (+110%) and 85+ (74%).

- 5.3.3. The most reasonable explanation for these changes is that significant number of the new homes being built in the NA have been occupied by younger families moving from Leicester. When comparing the population increase (+1,163 people) and the increase in the dwelling total (+430 dwellings), this equates to 2.7 new people for every new home. It also suggests, following the sections above, that despite the majority of new homes potentially being at the higher end of the market (i.e. larger in size and either detached or semi-detached), some of these homes are likely to be taken up by younger families.
- 5.3.4. There have also been notable increases in the older population, although this increase is not as pronounced as other population cohorts, and equates to only 34 more people aged 85+ in the NA.

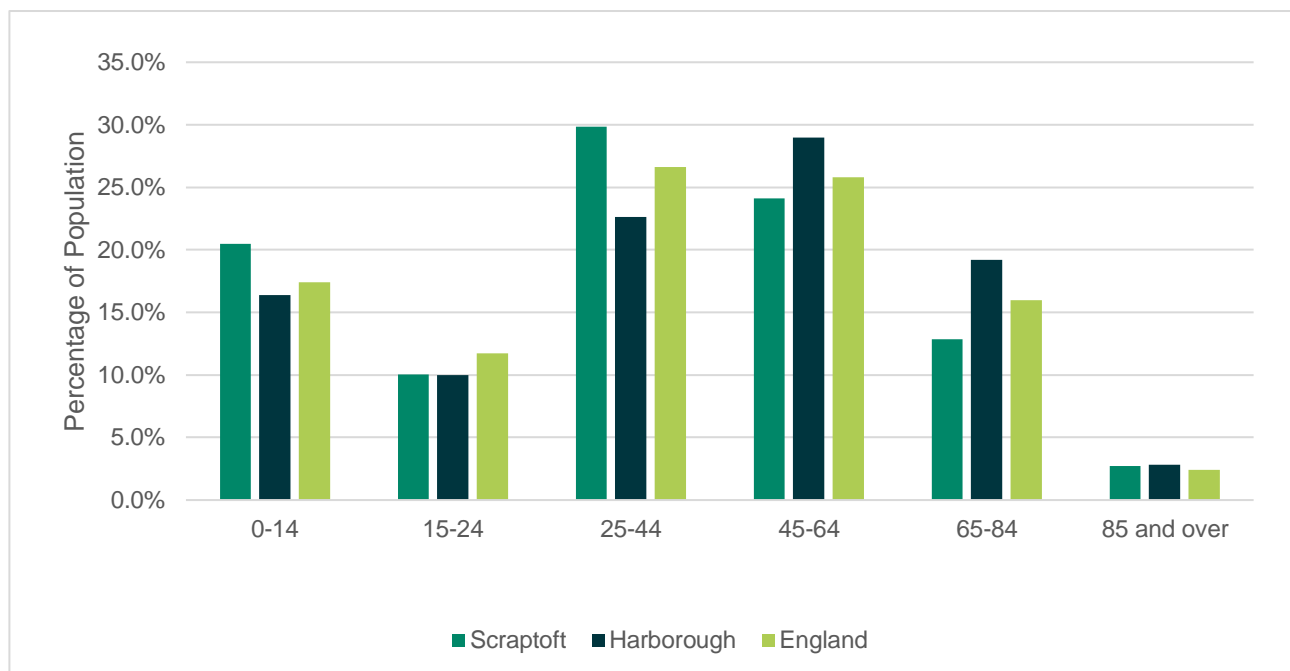
Table 5-5: Age structure of Scraptoft, 2011 and 2021

Age group	2011 (Census)		2021 (Census)		Change
0-14	280	15.5%	607	20.5%	116.8%
15-24	240	13.3%	298	10.0%	24.2%
25-44	421	23.3%	885	29.8%	110.2%
45-64	522	28.9%	715	24.1%	37.0%
65-84	295	16.4%	382	12.9%	29.5%
85 and over	46	2.5%	80	2.7%	73.9%
Total	1,804	100.0%	2,967	100.0%	64.5%

Source: ONS 2011, ONS 2021, AECOM Calculations

- 5.3.5. For context, it is useful to look at the NA population structure alongside that of the district and country. Figure 5-1 (using 2021 Census data) shows that the NA has a much higher proportion of its population aged between 25-44, and also between 0-14, than is common across the district. It is also worth noting that Scraptoft has a notably smaller proportion of its population aged between 45-64 and 65-84 than is the district average, which is further evidence that the NA has seen significant increase in newly forming families with younger children.
- 5.3.6. Although the NA population is not particularly old at present, it is likely to see a gradual ageing of its population over the Neighbourhood Plan period (2024 - 2041). For instance, it is likely that the robust population of people aged between 65-84 will translate into a growth of the population aged 85+. However, if the migration of families into the NA continues, the population aged 85+ may still be a smaller proportion than the district as a whole.

Figure 5-1: Age structure in Scraptoft, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

- 5.3.7. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that the NA has a slightly smaller proportion of one person and family households than is common Harborough. The NA has a higher proportion of 'other' households (which can be more than one family or unrelated individuals sharing a dwelling) than is common across the district.
- 5.3.8. In terms of how family households are composed the NA has a much higher proportion of families with dependent children (31%) than is common across Harborough (27%). In fact, there has been a 96% increase in this family group over the last decade, further evidence of a notable in-migration of families over the last decade.
- 5.3.9. The NA also has a notably smaller proportion of families with no children (18%), older families aged 66+ (9%) and single people aged 66+ (9%) than is common across Harborough. When taken together, this proportional distinction from the wider district suggests that the NA population is generally younger than Harborough.
- 5.3.10. Scraptoft also has a slightly higher proportion of households with non-dependent children (11%) than the wider district (10%). Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. It is interesting to observe that this category grew by 36% between 2011 and 2021 in the NA – which is slower than the district average (77%).

Table 5-6: Household composition, Scraptoft and comparator geographies, 2021

Household composition		Scraptoft	Harborough	England
One person household	Total	24.7%	26.0%	30.1%
	Aged 66 and over	9.4%	13.2%	12.8%
	Other	15.3%	12.8%	17.3%
One family only	Total	68.6%	69.6%	63.1%
	All aged 66 and over	9.4%	12.8%	9.2%
	With no children	18.1%	19.6%	16.8%
	With dependent children	31.4%	26.7%	25.8%
	With non-dependent children ¹⁰	11.1%	10.2%	10.5%
Other household types	Total	6.7%	4.4%	6.9%

Source: ONS 2021, AECOM Calculations

5.3.11. 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.

5.3.12. The table shows that the NA's population is generally well housed, with less than 2% of homes being overcrowded. The data shows that the majority of household in the NA tend to have at least one more bedroom than they would be expected to need (79%). This dynamic appears to be most prevalent in the older population, and in families with no children. Despite there being very limited overcrowding in the NA, where homes are overcrowded these tend to be with families with either dependent or adult children (2-3% of these households).

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

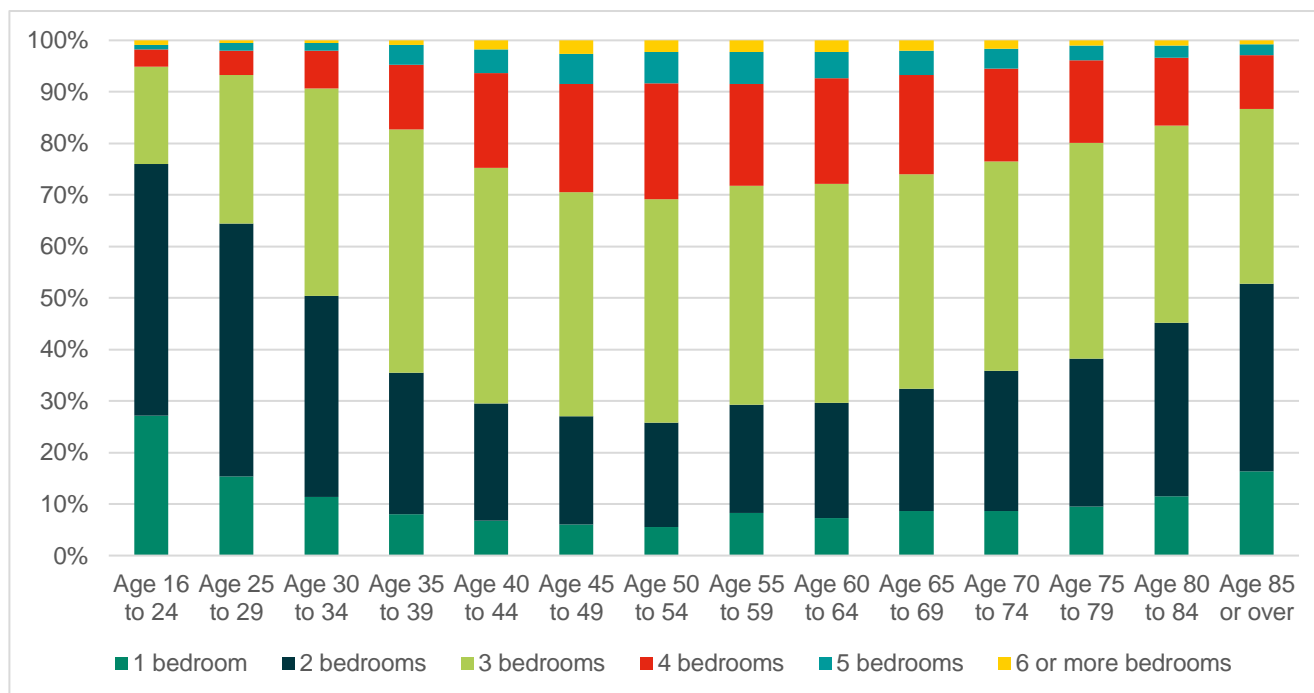
Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	59.8%	38.0%	2.2%	0.0%
Single person 66+	57.3%	33.6%	9.1%	0.0%
Family under 66 - no children	82.4%	14.8%	2.9%	0.0%
Family under 66 - dependent children	32.4%	34.3%	30.5%	2.7%
Family under 66 - adult children	37.5%	33.6%	26.6%	2.3%
Single person under 66	38.1%	40.3%	21.6%	0.0%
All households	46.8%	31.8%	19.7%	1.7%

Source: ONS 2021, AECOM Calculations

¹⁰ Refers to households containing children who are older than 18 e.g. students or young working people living at home.

5.3.13. 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 Harborough in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-2: Age of household reference person by dwelling size in Harborough, 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 Scraptoft 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 Scraptoft households in 2011 is shown in Table 5-8. This makes clear that despite growth in the younger population over the last decade, future population growth can be expected to be driven by the oldest households, with the population aged 65+ doubling to become the largest single age group in 2041. Younger age groups are also expected to continue to grow over the Neighbourhood Plan, but at a much slower rate than the older population. It is important to note that Scraptoft may buck the district trend to some extent given the level of new housing development and apparent in-migration of younger, family households. The projections below, dominated by ageing, may be more moderated in the NA in practice.

Table 5-8: Projected age of households, Scraptoft, 2011 - 2041

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	17	77	288	125	227
2041	19	94	316	154	463
% change 2011-2041	15%	22%	10%	23%	104%

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 5-1) 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 offers a range of dwelling sizes but focuses particularly on 4+ bedroom homes. However, these homes may not be suitable for young people, starter families and downsizing older housing. There may be a case for encourage a more prominent level of supply of smaller homes if this aligned with the desires of the local community.

Table 5-9: Suggested dwelling size mix to 2041, Scraptoft

Number of bedrooms	Current mix (2011)	Suggested mix (2041)	Balance of new housing to reach suggested mix
1	6.0%	6.9%	9.0%
2	25.3%	24.7%	23.2%
3	40.6%	37.3%	29.4%
4+	27.9%	31.1%	38.4%

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.
- 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.
- The overall size mix recommended by the Leicester and Leicestershire HENA (2022) is as follows:
 - 1 bed: 5%
 - 2-bed: 30%
 - 3-bed: 45%
 - 4+ bed: 20%
- In terms of smaller one and two bed homes, the size mix presented in the HENA generally follows AECOM's modelling presented in Table 5-7 presented above, both exercises suggesting these homes should account for approximately 35% of new dwellings. However, AECOM's model does suggest a significant increase in the proportion larger 4+ bedroom homes than district wide figures presented in the HENA. Given there has been a high proportion of these types of homes delivered over the last decade, there may be justification to provide a higher proportion of smaller homes i.e. between 1 and 3 bedrooms. Scraptoft's relationship with Leicester City is also likely to be a factor in decisions about future dwelling mix as the NA provides wider choice within the Leicester market, complementing the smaller dwellings within the City.
- The figures presented in this chapter point toward a notable increase in newly forming families over the last decade. When taken alongside the analysis of affordability in the previous chapter, it would appear that Scraptoft is a suitable location for new families both in terms of the cost of new homes and the type of homes available. Continuing to provide more homes with between 1- and 3-bedroom homes would see this trend continue in future. However, it may be prudent to maintain some supply of larger 4+ bedroom homes over the Neighbourhood Plan period, as the figures do not suggest these homes have been a major barrier to new families.
- Nevertheless, it should be noted that the significant overall population growth does suggest that people are moving from outside the NA boundary to take up

the new homes that have been delivered. Providing a healthy supply of homes with between 1- and 3-bedrooms may prove a more affordable option for local families and other people, and may also provide more opportunity for downsizing among the growing older population.

Tenure

- 5.4.7. The discussion 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 needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because higher proportions of households on waiting lists for affordable rented housing are on likely to be eligible for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
- 5.4.9. There are three key sources of information for thinking through the size needs of different categories. These are:
- The relevant SHMA or LHNA for the Local Authority, which will (usually) set out the projected need by size within each tenure over the long-term. In this case, the HENA (2022) mix for affordable housing is as follows:
 - 1-bed: 35%
 - 2-bed: 40%
 - 3-bed: 20%
 - 4-bed: 5%
 - The waiting list for affordable rented housing, kept by the Local Authority. This 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, the majority (76%) of applicants to the affordable housing waiting list require either a 1 or 2 bedroom home. However, lettings in most areas tend to be dominated by smaller properties and so there can be acute needs and long waiting times for larger properties.
 - Any relevant household survey or consultation work in the NA can also highlight any specific gaps in the market within particular segments of the population.
- 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 (notwithstanding there may be some level of acute need for larger properties) while market homes focus on mid-sized homes

and some larger options. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

- 5.4.11. 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 Scraptoft, 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 Scraptoft Neighbourhood Plan Steering Group and community to consider.

5.5. Conclusions- Type and Size

The current housing mix

- 5.5.1. The current dwelling mix in Scraptoft is dominated by detached and semi-detached homes, which cumulatively make up four fifths of the overall stock. There is a correspondingly smaller stock of terraced dwellings and a very small proportion of flats. However, the dwelling mix generally reflects the average across Harborough, other than some minor proportional variation within each dwelling category.
- 5.5.2. In terms of size, the size profile of homes in Scraptoft generally tracks that of Harborough in proportional terms. Both areas are characterised by a higher proportion

of 3-bedroom and 4+ bedroom homes and a correspondingly fewer 1- and 2-bedroom homes.

Population characteristics

- 5.5.3. The Scraptoft population has grown quite significantly over the last decade (+65%), which generally corresponds with the significant rate of development experienced over the last decade. This population growth generally appears most dramatic in groups aged between 25-44 and 0-14, which suggests a steady in migration of newly forming families from neighbouring areas. There has also been notable growth in the population aged 85+, pointing toward an ageing trend in the traditional population.
- 5.5.4. The evidence would suggest that the new homes that have been built in Scraptoft have been accessible to the younger population. However, growth in the older population would support the delivery of small homes, which may be more suitable for downsizing.
- 5.5.5. Household projections suggest that Scraptoft's population will continue to age over the NP period, with a potential 104% increase in the population aged 65 and over. The projections also suggest that the younger population cohorts in the NA will continue to grow over the NP period, but at a much slower rate. It should be noted that these estimates are informed by population projections for the wider district and may be more moderate in reality given recent development in the NA and apparent in-migration of younger family households.

Future population and size needs

- 5.5.6. It is possible to estimate the size mix of future homes that might best accommodate demographic trends and address imbalances in the existing housing stock. The result of this process suggests that new development should deliver a variety of dwelling sizes.
- 5.5.7. For Scraptoft, the model recommends future housing delivery should deliver a range of dwelling sizes, but with a focus on 3 or 4+ bedroom homes (78%), which is slightly higher than the recommendation in the Leicester and Leicestershire HENA.
- 5.5.8. However, if the Scraptoft Neighbourhood Plan Steering Group are seeking to improve affordability in the NA there may be justification to provide more smaller and modest sized homes (1 and 2 bed homes) to improve downsizing opportunities and modest sized homes for younger people. This does not ensure new homes will be affordable to these households, although affordability analysis in this report suggests these homes are accessible for average and some lower earning households. Nonetheless, provision of some smaller properties means they are likely to be relatively more affordable compared to much larger properties.
- 5.5.9. 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 Scraptoft. 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.¹¹
- 6.1.4. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹² 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.

Definitions

¹¹ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹² For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

- **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 Housing¹³:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

6.2. Specialist housing for older people

- 6.2.1. The 2021 Census indicates that at this time there were 210 individuals aged 75 or over in Scraptoft. Currently there is no provision for specialist accommodation in the NA. The closest settlement within the Harbough district that offers retirement housing is Bushby. However, there is provision just beyond the NA boundary, but within the Leicester City Centre boundary, where there is provision of both retirement housing and care facilities.

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 Scraptoft is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Harborough.

¹³ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

- 6.2.3. The results are set out in Table 6-1, which suggest that by 2035 over 75s will make up approximately 11% of the overall population, up from 7% in 2021. These projections generally follow the trend in the previous chapter, which suggest that although there has been a notable increase in younger family households, a strong feature of future population growth is expected amongst older age groups.
- 6.2.4. 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 Scraptoft by end of Plan period

Age group	2021		2041	
	Scraptoft	Harborough	Scraptoft	Harborough
All ages	2,967	97,626	3,415	112,359
75+	210	10,069	369	17,670
%	7.1%	10.3%	10.8%	15.7%

Source: ONS SNPP 2020, AECOM Calculations

- 6.2.5. 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.
- 6.2.6. 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 2041. The top row in Table 6-1 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the vast majority of older people own their own homes, with some social renters and very few private renters.
- 6.2.7. The expected growth in the 75+ population in the NA is 159 additional individuals by the end of the plan period. This can be converted into 113 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Scraptoft households are likely to need in 2041, and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in Harborough (2011) and projected aged 75+ in Scraptoft (2041)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
Harborough (2011 mix)	91.5%	64.9%	26.6%	8.5%	7.5%	0.9%	0.1%
Scraptoft (2041 projection)	103	73	30	10	8	1	0

Source: Census 2011

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

Future needs for specialist accommodation and adaptations

- 6.2.9. 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 56.
- 6.2.10. 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.
- 6.2.11. These estimates suggest that the greatest need for specialist housing can be met through the open market (rather than the social rented sector). Table 6-3 also suggests that a majority can be met through adaptations to the existing housing stock, but there remains some need for housing with care.

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

Type	Affordable	Market	Total
Housing with care	3	24	27
Adaptations, sheltered, or retirement living	3	26	29
Total	6	50	56

Source: Census 2011, AECOM Calculations

6.2.12. 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. HLIN calculations

6.2.13. Ta 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 Scraptoft results in a total of 40 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 Scraptoft by the end of the Neighbourhood Plan period

Type	Affordable	Market	Total
Housing with care	5	6	11
Adaptations, sheltered, or retirement living	10	19	29
Total	15	25	40

Source: Housing LIN, AECOM calculations

Further considerations

6.2.14. The above estimates suggest that potential need for specialist accommodation could be in the range of 40-59 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. Although, given the rate of development expected in the NA, if site allocations are developed out in full it may be possible to improve the supply of specialist housing provision.

6.2.15. 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.

6.2.16. 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).

- 6.2.17. It is considered that Scraptoft is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Scraptoft in other suitable locations near to but outside the Plan area boundaries).
- 6.2.18. 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 2041 there would be a need for 10 residential care beds and 4 nursing care beds in the NA.
- 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. Given the lack of specialist housing provision in the NA, it can be assumed that all of the Scraptoft population aged 75 and over is likely to live 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. Given the uncertainty around whether 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 Harborough District 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 dwellings¹⁴, although changes to Building Regulations have not yet been made.
- 6.4.5. The current adopted Local Plan policy H4 provides explicit encouragement for development to accommodate specific groups such as older people, it suggests that 10% of dwellings on new sites of over 100 units should be specialist housing. The policy does not set out how much of that specialist housing provision should meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here may justify the Scraptoft Neighbourhood Plan Steering Group approaching the LPA to discuss setting requirements on accessibility and adaptability at district level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.
- 6.4.6. 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.
- 6.4.7. 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 are applied to the expected level of housing delivery for Scraptoft to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for 24 wheelchair accessible dwellings over the Neighbourhood Plan period. It is worth noting that these national figures are for all age categories, not just older persons,

¹⁴ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes) (www.gov.uk)

although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally Applied to Scraptoft

	Percentage in England	% applied to NA housing requirement figure (661 to end of plan period)
Households using wheelchair all the time	0.6%	4
Households using wheelchair either indoors or outdoors	3.0%	20

Source: Survey of English Housing 2018/19

6.5. Conclusions- Specialist Housing for Older People

Characteristics of the current older population

- 6.5.1. There are currently estimated to be around 210 individuals aged 75 or over in Scraptoft, a number that has grown from 192 in 2011 and is projected to rise to 369 by the end of the Neighbourhood Plan period (2041).
- 6.5.2. A clear majority (78%) of Harborough's households aged between 55 – 75 in 2011 (and therefore likely to reach the 75+ bracket by 2041) are owner occupiers and the remainder predominantly rent from a social landlord. This is important because those currently owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent may need subsidised rented housing because they are unlikely to have the funds to buy.

Projected demographic change and need for specialist housing

- 6.5.3. The 75+ population of the NA is projected to increase from 7% to 11% of the overall population between 2024 and 2041. The growth in the older population should be converted into households because some older people will be cohabiting in old age. The projected growth in the older population points to 13 new households made up of persons aged 75+ over the Neighbourhood Plan period.
- 6.5.4. 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.
- 6.5.5. The two methods for estimating the future need in Scraptoft produces a range of 40 to 56 specialist accommodation units that might be required during the plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.
- 6.5.6. Broadly, between 65-90% of the need is likely to be for market purchase. Moreover, between 50-70% of the need can be accommodated through either sheltered accommodation or adaptations to the existing housing stock, rather than new extra care options. The potential need for care and nursing home beds in Scraptoft by 2038 can be estimated at roughly 14.

6.5.7. The main unmet need in Scraptoft is for market sheltered accommodation (or accommodation which would deliver similar attributes) and in some cases this need may be satisfied by new housing that is accessible and adaptable for people with lower support needs. It is unknown whether Scraptoft is expecting any delivery of specialist accommodation over the plan period. However, if the number of dwellings allocated to the NA through the Local Plan are developed in full, and the provision of specialist accommodation is included it would meaningfully contribute to the need identified in this HNA.

7. Next Steps

7.1. Recommendations for next steps

7.1.1. This Neighbourhood Plan housing needs assessment aims to provide Scraptoft Neighbourhood Plan Steering Group 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 Harborough District Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of Harborough District Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Harborough District 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 Scraptoft Neighbourhood Plan Steering Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Harborough District Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

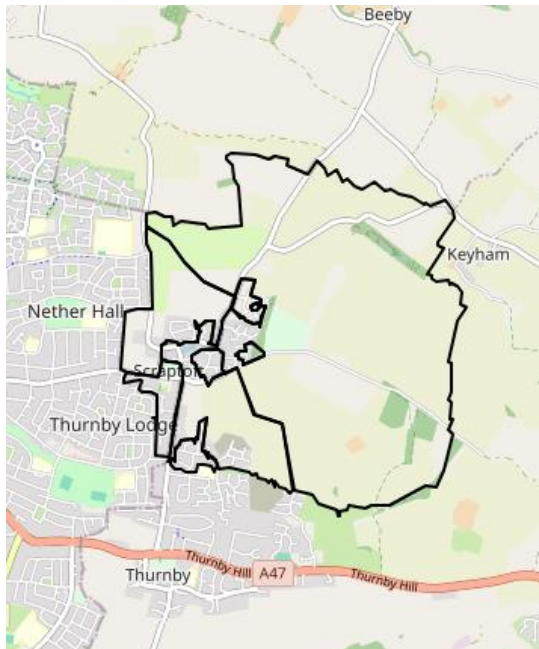
7.1.4. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

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:

- E00130973
- E00130974
- E00165825
- E00170637
- E00170638
- E00187426
- E00187434
- E00187506

Figure A-1: Map of LSOA for VOA Data

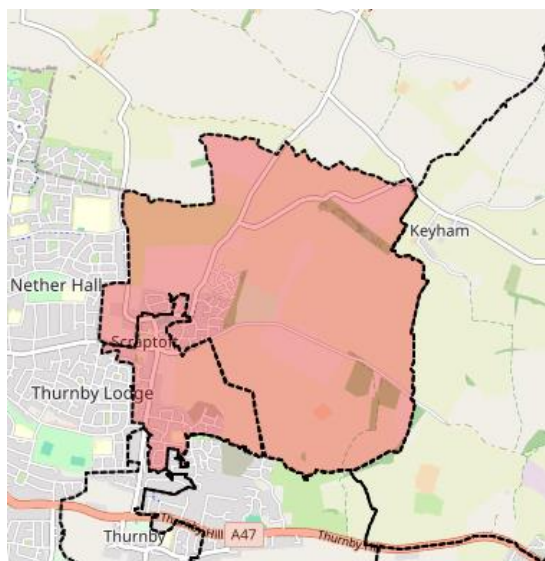


Source: NOMIS

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 combination of LSOAs in this case, which will need to be used as a proxy for the NA, is:

- E01035092
- E01035093

Figure A-2: Map of LSOA for VOA Data

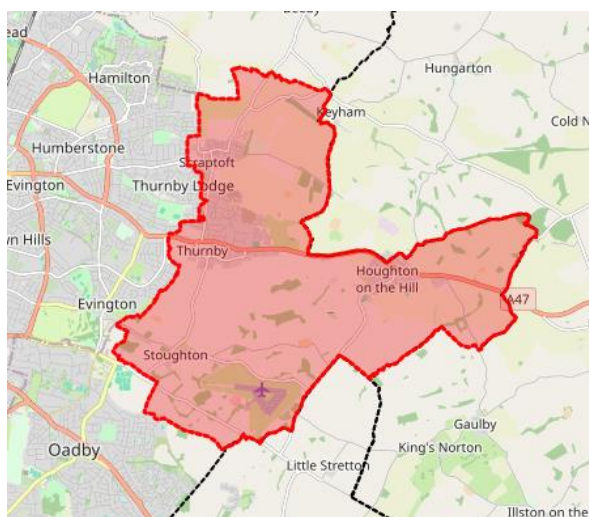


Source: NOMIS

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:

- E02006816

Figure A-3: 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 Scraptoft.

Table B-1: Summary of relevant adopted policies in the adopted Local Plan for Harborough District Council (adopted 2019)

Policy	Provisions
SS1 – The Spatial Strategy	<ol style="list-style-type: none"> 1. Manage planned growth to direct development to appropriate location, in accordance with the following settlement hierarchy: <ol style="list-style-type: none"> a. (part of) the Leicester Principal Urban Area: Scraptoft. 2. Enable housing and commercial development, during the period 2011 – 2031, including: <ol style="list-style-type: none"> a. Housing: provision of land for a minimum of 12,800, including: <ol style="list-style-type: none"> iii. about 1,200 dwellings in a strategic development area at Scraptoft North.
H2 – Affordable Housing	<ol style="list-style-type: none"> 1. 40% affordable housing will be required on housing sites: <ol style="list-style-type: none"> a. Of more than 10 dwellings; or b. With a combined gross floorspace of more than 1,000 square meters. 2. The tenure split for the affordable will be as follows: <ol style="list-style-type: none"> a. About 75% affordable or socially rented; or b. About 25% low cost home ownership products; or c. A variation on the above mix which is shown to be justified by reference to the latest assessment of affordable housing need.
H4 – Specialist Housing	<ol style="list-style-type: none"> 1. The provision of well-designed specialist forms of accommodation in appropriate locations will be supported, taking into account housing needs. 2. Permitted accommodation development will be: <ul style="list-style-type: none"> - Permitted on sites within existing residential areas; - Sought as an integral part of all residential developments of over 100 dwellings at a rate of at least 10% of all dwellings proposed.

Source: Harborough Local Plan (2011 – 2031)

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 Scraptoft, 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) = £270,000;
 - Purchase deposit at 10% of value = £27,000;
 - Value of dwelling for mortgage purposes = £243,000;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £69,000.
- 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 £150,000, and the purchase threshold is therefore £38,600.
- C.7 It is worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 24 sales of new build properties in the NA in 2022. These sales have a median value of £150,000.

- C.8 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). The new build median figure for the NA is heavily influenced by a number of lower value sales, and would be inappropriate to use for estimating the cost of affordable home ownership due to the viability of delivering homes at this price point (explained in more detail below).
- C.9 Therefore, an estimate has been calculated by determining the uplift between all house prices in 2023 across Harborough and new build house prices in 2023 in the same area. This percentage uplift (or 'new build premium' +14%) 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 £171,000 and purchase threshold of £44,000.
- C.10 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Harborough in 2023. The median cost of new build dwellings in Harborough was £370,000, with a purchase threshold of £95,000.

Private Rented Sector (PRS)

- C.11 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.12 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.13 The property website Home.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the LE7 postcode area, 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.
- C.14 According to home.co.uk, there were 51 properties for rent at the time of search in October, 2024, with an average monthly rent of £1,200. There were 19 one/two-bed properties listed, with an average price of £850 per calendar month.

- C.15 The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £850 x 12 = £10,200;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £34,000.
- C.16 The calculation is repeated for the overall average to give an income threshold of £48,000.

Affordable Housing

- C.17 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 new First Homes was introduced in 2021 but is not yet included in the NPPF. Each of the affordable housing tenures are considered below.

Social rent

- C.18 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.
- C.19 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 Scraptoft. 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 Harborough in Table C-1.
- C.20 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£70.00	£78.00	£91.00	£112.00	£91.00
Annual average	£3,640	£4,056	£4,732	£5,824	£4,732
Income needed	£12,133	£13,520	£15,773	£19,413	£15,773

Source: Homes England, AECOM Calculations

Affordable rent

- C.21 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply

a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).

- C.22 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.23 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Harborough. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.24 Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 60% 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	£96.00	£115.00	£132.00	£168.00	£115.00
Annual average	£4,992	£5,980	£6,864	£8,736	£5,980
Income needed	£16,640	£19,933	£22,880	£29,120	£19,933

Source: Homes England, AECOM Calculations

Affordable home ownership

- C.25 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.
- C.26 In paragraph 66 of the NPPF 2023, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.” There are exemptions to this requirement, including where:
- The provision would exceed the level of affordable housing required in an area;
 - The provision would significantly prejudice the ability to meet the identified affordable housing needs of specific groups;
 - A proposed development provides solely Build to Rent homes;
 - A proposed development provides specialist accommodation for a group of people with specific needs (such as purpose built accommodation for students or the elderly);

- The development is proposed to be developed by people who wish to build or commission their own homes; or
- The proposed development is exclusively for affordable housing, a community-led development exception site, or a rural exception site.

Discount Market Sale / First Homes

- C.27 Discounted market sale homes are affordable home ownership products which offer a discount of at least 20% on market values.
- C.28 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.29 The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £171,000.
- C.30 For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (estimated NA new build entry-level) = £171,000;
 - Discounted by 30% = £120,000;
 - Purchase deposit at 10% of value = £12,000;
 - Value of dwelling for mortgage purposes = £107,600;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £30,750.
- C.31 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £26,360 and £21,965 respectively.
- C.32 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

- C.33 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. m¹⁵) would be around £122,500. This cost excludes any land value or developer profit. This could be an issue in Scraptoft.
- C.34 Table C-3 shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	30%	70%	41%
NA estimated new build entry-level house price	-10%	53%	7%
NA entry-level house price	-25%	47%	-6%
LA median new build house price	49%	78%	57%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

- C.35 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.36 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.37 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

¹⁵ 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/>

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.38 The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £171,000 is £42,700;
- A 10% deposit of £4,270 is deducted, leaving a mortgage value of £38,440;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £10,990;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £128,130;
- The estimated annual rent at 2.5% of the unsold value is £3,200;
- This requires an income of £10,670 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £21,660 (£10,990 plus £10,670).

C.39 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £17,200 and £29,100 respectively.

C.40 All of the income thresholds calculated here for Shared Ownership dwellings are below the cap of £80,000 above which households are not eligible.

Rent to Buy

C.41 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-3: Wider considerations in developing Affordable Housing mix policy

Consideration	Local Evidence
<p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>This HNA, based on evidence supplied in the most recent HENA, suggests that the NA requires around 7.7 units of affordable rented housing and 5.6 units of affordable home ownership homes per annum 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>The relationship between these figures suggests that there is a robust need for both social/affordable housing and affordable home ownership.</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 40% were achieved on every site, assuming the delivery of the NA's residual allocations for 661 homes overall, up to 264 affordable homes might be expected in the NA over Neighbourhood Plan period.</p> <p>If delivered in full, this level affordable housing delivery would be sufficient to meet all of the need identified, for both social/affordable rented homes and affordable home ownership products.</p>
<p>C. Government policy (eg NPPF) requirements:</p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this</p>	<p>For 10% of all housing to be affordable ownership in Scraptoft, where 40% of all housing should be affordable, 25% of Affordable Housing should be for affordable ownership. This does comply with the</p>

requirement if it would prevent the delivery of other forms of Affordable Housing.	guideline tenure split sought in the Local Plan.
D. Local Plan policy:	The adopted Local Plan seeks a tenure split of 75% affordable rent and 25% affordable home ownership.
E. First Homes policy: 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.	This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. The inclusion of First Homes would be compliant with the tenure split sought in the adopted Local Plan, but would prejudice the delivery of other affordable home ownership products (i.e. shared ownership).
F. Viability:	HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.
G. Funding: The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.	The Scraptoft Neighbourhood Plan Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
H. Existing tenure mix in Scraptoft: The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a	Currently, around 9% of the tenure profile in the NA is occupied by social rented homes, and around 4% are shared ownerships.

consideration in the mix of tenures provided on new development sites.	It should be noted the Census indicates notable growth in both these tenure options over the last decade.
I. Views of registered providers:	It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the NA. The funding arrangements available to housing associations will determine rent levels.
J. Wider policy objectives:	The Scraptoft Neighbourhood Plan Steering Group may wish to take account of broader policy objectives for Scraptoft and/or the wider district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Tenure and mobility limitations of those aged 65+ in Scraptoft, 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	82	24.0%	88	25.8%	171	50.1%
<i>Owned Total</i>	71	22.8%	79	25.4%	161	51.8%
Owned outright	68	23.1%	74	25.2%	152	51.7%
Owned (mortgage) or shared ownership	3	17.6%	5	29.4%	9	52.9%
<i>Rented Total</i>	11	36.7%	9	30.0%	10	33.3%
Social rented	9	42.9%	6	28.6%	6	28.6%
Private rented or living rent free	2	22.2%	3	33.3%	4	44.4%

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 6-4 in the main report shows, Scraptoft is forecast to see an increase of 159 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 = $60 \times 0.159 = 10$
- Leasehold sheltered housing = $120 \times 0.159 = 19$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale)
= $20 \times 0.159 = 3$
- Extra care housing for rent = $15 \times 0.159 = 2$
- Extra care housing for sale = $30 \times 0.159 = 5$
- Housing based provision for dementia = $6 \times 0.159 = 1$

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 = $\text{£}200,000/\text{£}25,000 = 8$, (the house price is 8 times income).

Affordable Housing (NPPF Definition)

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

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

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

c) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and Rent to Buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for

the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods¹⁶.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard¹⁷

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.

¹⁶ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

¹⁷ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community-led developments (NPPF definition)

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

Community Right to Build Order¹⁸

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

Concealed Families (Census definition)¹⁹

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

Equity Loans/Shared Equity

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

¹⁸ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

¹⁹ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the 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: <http://www.lifetimehomes.org.uk/>.

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁰, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

²⁰ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing²¹

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

²¹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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 (NPPF Definition)

A Strategic Housing Market Assessment (SHMA) is a document prepared by one or more local planning authorities to assess their housing needs under the 2012 version of the NPPF, usually across administrative boundaries to encompass the whole housing market area. The NPPF makes clear that SHMAs should identify the scale and mix of housing and the range of tenures the local population is likely to need over the 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 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.²²

²² See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

