



Redruth Housing Needs Assessment (HNA)

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Quality information

Prepared by

Tony Sloan
Graduate Planning Consultant

Checked by

Stuart Woodin
Technical Director

Approved by

Kerry Parr
Associate Director

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Prepared for:

Redruth Town Council

Prepared by:

AECOM

10th Floor Clarence West Building

2 Clarence Street West

Belfast

BT2 7GP

aecom.com

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
CC	Cornwall Council
HNA	Housing Needs Assessment
HNF	Housing Need Figure
Housing LIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
LQAR	Lower Quartile Affordability Ratio
LTHPD	Long-Term Health Problem or Disability
MAR	Median Affordability Ratio
MH	Market Housing
MHCLG	Ministry for Housing, Communities and Local Government (formerly DCLG)
NA	Neighbourhood (Plan) Area
NDO	Neighbourhood Development Order
NDP	Neighbourhood Development Plan
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
RTC	Redruth Town Council
SHLAA	Strategic Housing Land Availability Assessment
SHMNA	Strategic Housing Market Needs Assessment
VOA	Valuation Office Agency

1. Executive Summary

1.1 Introduction

1. Redruth in Cornwall commissioned from Locality a Housing Needs Assessment (HNA) to inform their emerging Neighbourhood Plan. In consultation with the neighbourhood planning group, AECOM developed 4 research questions (RQs) for the HNA to answer. The RQs serve to direct our research into the key neighbourhood-level issues and provide the structure for the study.

1.2 Research Questions

RQ 1: In the current planning context, what quantity of housing in the Neighbourhood Area should be planned for over the Plan period?

RQ 2: What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

RQ 3: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

RQ 4: What provision should be made for specialist housing for the elderly and disabled people over the Neighbourhood Plan period?

1.3 Findings of RQ1: Quantity

2. In line with its new obligations under the most recent NPPF 2019's paragraphs 65 and 66, Cornwall has stated it will be providing Redruth with an HRF as part of the next iteration of the emerging Local Plan. However, the neighbourhood planners have asked if AECOM is able to calculate as an interim step before that figure emerges to indicate the potential HRF in line with national policy and best practice, and Cornwall have indicated they have no in-principle objection to this element of the HNA.
3. As such, a quantity figure does need to be caveated in the sense that it has the potential to differ from any HRF provided by Cornwall after the completion of this report, and that in line with national policy, the Cornwall HRF will supersede that calculated by AECOM (if it comes to a different figure).
4. There have been 1,062 dwelling commitments over the same period. However, AECOM recommends that commitments should not yet be discounted from the overall quantity figure; it is only once they are completed that this can take place.
5. This HNA recommends an overall HNF of 1,960 dwellings, which equates to 98 dwellings per year over the Neighbourhood plan period, between 2010 and 2030, or a remaining HNF of 1,178 dwellings between 2019 and 2030, which equates to 107 dwellings per year.
6. The housing figure for Cornwall is derived from the Government's Standard Methodology and is likely to change annually as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in Cornwall and any indicative housing requirement figure provided by Cornwall for neighbourhood areas.
7. At the time the final Neighbourhood Plan housing requirement figure is provided by Cornwall, it will entirely supersede the provisional calculation within this study since it will be using more recent data and is provided by the Local Authority in an official capacity. However, until the time that it is provided the AECOM figure quoted above can be used as the basis for the neighbourhood group's planning.

1.4 Findings of RQ2: Tenure and Affordability

8. Redruth is characterised by a lower level of home ownership and a higher level of private rented households compared to Cornwall. Redruth has a higher proportion of rented households than Cornwall.
9. During the intercensal period the number of households outright owning their homes, increased in Redruth at a greater rate than that found in Cornwall and England (where national trends indicate a decline in home ownership levels). The amount of shared ownership in Redruth also increased, albeit at a significantly lower rate than the increase at the local

and national levels.

10. The social rented sector in Redruth increased at a rate greater than the regional level, contrasting the decrease found at the national level. The private rented sector experienced the greatest rate of growth of any tenure in Redruth increasing at a significantly greater rate than the regional level, but similar to the growth experienced across England.
11. There has been an overall increase in housing prices in Redruth between 2009 and 2018, with the median house increasing by 13.8%, whilst lower quartile prices experienced an overall increase of 10.5%. In terms of individual house types, detached experienced the greatest price growth over the period, followed by semi-detached and terraced respectively. Flats experienced the lowest price growth out of any housing type. This may reflect the relatively high starting base for flats in 2009 as well as their popularity
12. The income required to buy an average market home for sale is higher than that available to those on median household incomes. Affordable housing for sale (including shared ownership) is affordable to these households, based on current prices and incomes. Those on lower quartile incomes face a greater struggle to find accommodation as all tenures are out of reach for those on lower quartile incomes without subsidy. It is therefore evident that housing affordability is an issue in the NA.
13. Over the Plan period we estimate 105 households will need affordable housing for rent and 144 households will need affordable housing for sale, representing a broadly balanced split of 42% affordable rent to 58% affordable sale in percentage terms. This would appear to differ from Cornwall's Local Plan, which seeks a target provision of 70% affordable rented and 30% intermediate tenures. However, the AECOM estimates identify a wider group of households who 'can rent but can't buy' which were not included in the SHMA. Their needs are also less urgent as they have options within the market; albeit they may prefer home ownership to renting. It is important that the neighbourhood planners liaise with and seek the support of the LPA should they wish to depart from the district-level policy.
14. Our findings suggest that a range of affordable home ownership products (shared ownership, starter homes and other discounted market sale products) should be affordable to those on median incomes. However, with starter homes and other discounted market sale products affordability depends on how these homes are priced by developers. If they are discounted in relation to the price of existing properties they will be affordable to those on median incomes. If they are discounted in relation to the price of new build homes, they may not extend home ownership to those who need it.
15. In terms of rental provision there should be a particular focus on affordable rented tenures given the difficulty that those on lowest quartile incomes have in accessing affordable homes. Both the SHMNA and AECOM's estimates demonstrated a substantial need for affordable homes for those that cannot afford to rent in the market.

1.5 Findings of RQ3: Type and Size

16. Redruth is characterised by a significantly higher proportion of terraced dwellings. Redruth also has higher proportions of semi-detached dwelling and flats. Redruth appears to have a substantial proportion of bungalows, however, there appears to be a greater supply of larger bungalows than smaller eg one-bedroom bungalows.
17. Redruth has generally smaller properties, the proportion of small dwellings (1-4 rooms) in Redruth is 38.7% compared to the much lower figure of 29.1% in Cornwall. The proportion of larger dwellings (5-7 rooms) in Redruth is 52.2% compared to the higher figure of 56.0% in Cornwall. This trend continues for very large dwellings (8+ rooms), with a proportion of 9.1% of the total stock compared to 14.8% found in Cornwall.
18. During the intercensal period the number of households of all sizes increased in Redruth, except for one-room dwellings which experienced a decline. Two-room dwellings experienced the greatest growth, at a rate significantly higher than the increase experienced at the local and national levels. This is followed by three, four and five-room dwellings which also experienced higher rates of growth when compared to local and national levels. Larger dwellings (six, seven, eight-rooms or more) experienced a lower rate of growth compared to the growth at local and national levels.
19. Three-bedroom dwellings are the most popular house size in Redruth, in line with the findings at the local and nation levels. Smaller one and two-bedroom properties are more common in Redruth compared to Cornwall. Reflecting this, larger properties with four, five or more bedrooms are comparatively more common in Cornwall.
20. Redruth has a relatively younger population when compared to the Cornwall. Redruth's population has experienced growth in all age groups, with the 85 and over group experiencing the greatest growth. Redruth has more one-person households, however a lower proportion of these one-person households are aged 65. The proportion of households with dependent children is higher in Redruth, once again mirroring Redruth's younger population.

21. The results of the life-stage modelling suggests that there is greater need for larger homes over the plan period than one- and two-bedroom dwellings. However, it is important to caveat the result of this model, because it is based on past trends relating to occupancy patterns of different households and the existing supply. It is also dominated by the owner occupied sector. It will also be important to maintain some flexibility around the size of new homes provided in order to deliver new affordable homes and innovative housing products.
22. This HNA has established the need for affordable homes and housing for older people, many of which tend to be smaller dwellings. Therefore, it is recommended that one- and two-bedroom dwellings continue to be delivered in Redruth to enable older households in larger dwellings to downsize if they wish to do so and allowing newly forming households to access housing through smaller and more affordable dwellings.

1.6 Findings of RQ4: Specialist Housing

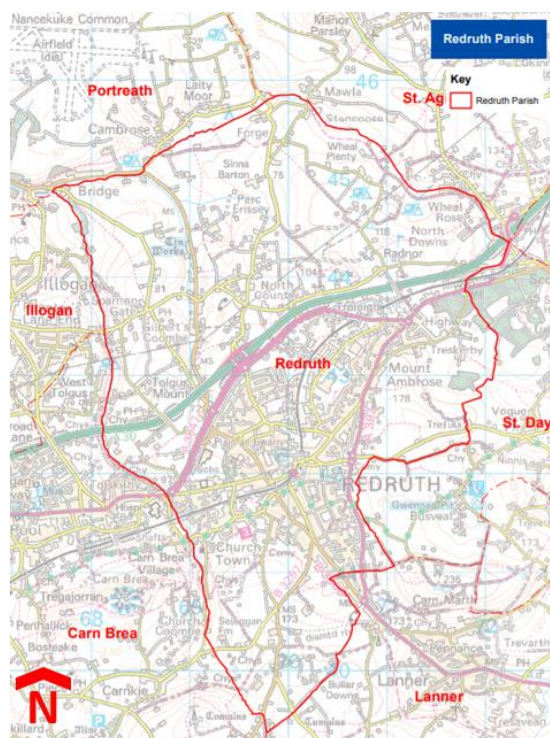
23. There are 190 existing units of specialist housing for older people in Redruth, for a 2011 population of 1,255 people aged 75. Suggesting the actual rate of provision in Redruth is approximately 151 dwellings per 1000 population aged 75+.
24. HLIN calculations suggest an overall total of 524 specialist dwellings for older people who require housing with care. By contrast, the tenure led calculations suggest the number of households falling into potential need for specialist accommodation is 829 – though around half of these have limited needs.
25. Census data shows that Redruth has a higher proportion of people with an LTHPD compared to local and national level. This aligns with data that shows the proportion of those claiming DLA is higher in Redruth compared to that recorded in Cornwall and England. Redruth has higher incidences of long-term disability in all age groups. The number of people aged 65 and over in Redruth with LTHPD is proportionally 5.6% greater than that found in Cornwall. There is a significant and unspecifiable degree of overlap between the needs of disabled people and the needs of the elderly.
26. For accommodation for older people it is recommended that around 524 specialist dwellings are provided by the end of the plan period. Around 190 already existing in the stock though all of this provision is in the affordable rather than market sector. Some of the additional need may be addressed by providing mainstream housing which is accessible and adaptable.
27. There may be a requirement for a potential uplift in specialist housing for people with disabilities. The four most common adaptations required by households containing people with a disability or other health-related challenge are a grab hand rail (40%), a bath or shower seat (30%), a specialist toilet seat (25%), and a shower to replace a bath (19%). It is relatively easy for new housing to be suitable to be adapted in these ways at relatively low cost, and this minimum measure of adaptability across new housing in Redruth would be reasonable given the evidence of a growing population of people with disabilities. Bungalows in particular can play an important role in meeting the current and future needs of people with accessibility needs.
28. Redruth is considered a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness. Wherever specialist housing need is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice.

2. Context

2.1 Local context

29. Redruth is a town and Neighbourhood Plan area located in the Unitary Authority of Cornwall (Cornwall Council), South West England. The Neighbourhood Area (NA) boundary was designated on 12th July 2016, comprising the Civil Parish of Redruth.
30. A map identifying the designated Redruth NA is shown below in Figure 2-1. The Parish of Redruth covers approximately 1,650 hectares, with the 2011 Census showing the Neighbourhood Plan area had a total of 14,018 residents.
31. The proposed Neighbourhood Plan covers the same time period as the Cornwall Local Plan, starting in 2010 and extending to 2030, therefore comprising a planning period of 20 years.
32. Once the urban centre of the Cornish Mining industry, Redruth is now at the heart of a World Heritage Site designated in 2006 by UNESCO as part of the Cornwall and West Devon Mining Landscape.
33. Redruth is well connected and lies on the route of the A30 and thus has access to the main route out of the county as well as routes to the far West, North Cornwall, South East Cornwall and Plymouth. The Redruth station is situated on the Cornish Main Line between Truro and Camborne, the station is served by trains from Paddington, as well as the Midlands and the North.

Figure 2-1: Map of the Redruth Neighbourhood Plan area¹



Source: Cornwall Council's Website

34. The neighbourhood group is particularly interested in examining the need for affordable home ownership tenures. Analysis and commentary on this issue has been provided where relevant and possible.

¹ Available at: <https://www.cornwall.gov.uk/media/19662555/redruth-np-designation-map.pdf>

2.2 Planning policy context

35. In line with the Basic Conditions² of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with adopted strategic local policies.³ Consequently, there is a need for the relevant elements of the Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
36. In the case of Redruth, the relevant local planning context is as follows:
37. The Cornwall Local Plan was adopted in November 2016, setting out strategic policies for the period 2010-2030.⁴ The underlying principle of this document is to ensure that future development supports an appropriate balance of jobs, homes, services and facilities. The plan will be subject to periodic review over the Plan period to ensure that the document reflects any changing circumstances.
38. The Cornwall Local Plan replaces a number of policies from the Local plans of the former District and Borough Councils, however, some policies from previous plans remain saved by the Local Plan.⁵ None of the Kerrier District policies, the district Redruth was located in, have been saved.
39. Cornwall have produced a Site Allocations Development Plan Document (Allocations DPD) which identifies where new housing and employment uses will be delivered in Cornwall. The Allocations DPD went through Examination in late 2017/early 2018, resulting in a number of changes being made. These changes went to public consultation which closed in October 2018. Cornwall have published a pre-adoption copy of the Site Allocations DPD⁶, the Council must now decide whether to adopt the Site Allocations document with the recommended changes.

2.2.1 Policies in the adopted local plan⁷

40. The table below includes the policies within the adopted Local Plan that are considered relevant to this HNA

Table 2-2: Summary of Cornwall adopted policies having relevance to Redruth Neighbourhood Plan HNA

Policy	Provisions
Policy 2 Spatial Strategy	The spatial strategy sets out the intended distribution of future development across Cornwall and asserts the need for it to supply a balance of economic, social and environmental benefits. Most 'strategic scale growth' will take place in the main cities and towns, but no specific targets are given and a principle of flexibility underpins the application of this policy.
Policy 2a Key Targets	Development proposals over the Plan period (2030) should help to deliver: <ul style="list-style-type: none"> • A minimum of 52,500 homes at an average rate of about 2,625 per year to 2030 • 2,550 bed spaces in communal establishments for older persons, including nursing and specialist accommodation.
Policy 6 Housing Mix	New developments of 10 dwellings or more should include an appropriate mix of house size, type, price and tenure to address identified needs and market demand and to support mixed communities. Any new proposals must refer to local evidence of need and demand. On sites of 200 dwellings or more, additional specialised housing should be considered where demand exists.
Policy 7 Housing in the Countryside	A number of restrictions will apply to new homes in the open countryside and only under special circumstances will they be permitted. New dwellings in the countryside will be restricted to replacement of comparable houses, the subdivision of existing residential houses, the reuse of historic buildings that would enhance the local setting, and the provision of temporary accommodation for workers where there is an essential need and no other accommodation available.

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

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

⁴ Available at <https://www.cornwall.gov.uk/media/22936789/adopted-local-plan-strategic-policies-2016.pdf> [Accessed July 2019]

⁵ Available at <https://www.cornwall.gov.uk/media/25492311/saved-policies-of-former-local-plans.pdf> [Accessed July 2019]

⁶ Available at <https://www.cornwall.gov.uk/media/38344158/allocations-dpd-full-doc-web.pdf> [Accessed July 2019]

⁷ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

Policy	Provisions
Policy 8 Affordable Housing	All new housing schemes in the plan area, where there is a net increase of more than 10 dwellings or a combined gross floor space more than 1,000 square metres, must contribute towards Affordable Housing (AH) needs. Subject to considerations in Policy 10, developments in Redruth (Zone 5) should provide a 25% target level of affordable housing. The mix of affordable housing products will vary, the target provision is based on a tenure split of 70% affordable rent and 30% intermediate housing.
Policy 10 Managing viability	Where the Council is satisfied through the submission of appropriate evidence that the proposal cannot deliver the full quota of affordable housing without affecting the viability of the scheme to such an extent that it cannot proceed, it will consider whether the alternative approaches would assist in securing the maximum achievable contribution to affordable housing.

Source: Cornwall Local Plan, Strategic Policies 2010-2030 (Adopted November 2016)

41. The Local Plan sets out a total housing apportionment of 52,500 dwellings for the entire district. This figure is not broken down further at a parish level. Instead, the Key Targets set out in Policy 2a are broken down for specific locations known as Community Network Areas (CNA). Redruth is considered in relation to Camborne-Pool-Illogan-Redruth (CPIR), which is given a total housing apportionment of 6,200 dwellings. Of this figure, 5,200 dwellings form the 'Urban apportionment'. These dwellings are expected to be delivered within urban settlements, through the strategic allocations set out within the Allocations DPD. The remaining 1,000 dwellings form the residual figure, expected to be delivered within rural areas.

2.2.2 Policies in the emerging Allocations DPD⁸

42. The Allocations DPD sets out the strategy for the future growth of 10 towns / conurbations throughout Cornwall, plus sets out policies for the delivery of two Ecocommunity sites. The table below include the CPIR policy within the emerging Allocations DPD which is considered relevant for this HNA.

Table 2-3: Summary of Cornwall adopted policies having relevance to Redruth Neighbourhood Plan Housing Needs Assessment

Policy	Provisions
Policy CPIR-UE1 Tolgus Urban Extension	10.6 hectare site allocated for approximately 280 dwellings and approximately 2,000 sqm of B1a and 1,000 sqm B1c employment space. At least 25% of the dwellings should be provided as 'accessible homes'; plus some of the dwellings should be specialised housing (including extra care housing)

Source: Cornwall Site Allocations Development Plan Document

⁸ Note that only those policies considered relevant to this Housing Needs Assessment have been reviewed, and that the policies reviewed may have been edited for relevance and/or clarity. As such, this summary of relevant policies should not be considered a full summary of the Local Plan in question.

3. Approach

3.1 Research Questions

43. Research Questions, abbreviated to 'RQ;' are formulated at the start of the project through discussion with the neighbourhood group. They serve to direct our research and provide the structure for the HNA.
44. Below we set out the RQs relevant to this study, as discussed and agreed with Redruth.

3.1.1 Quantity

45. As demonstrated in our review of the current planning context (Chapter 2 above), Redruth does not currently benefit from a specific housing requirement figure (HRF) in the Cornwall planning framework.
46. In line with its new obligations under the most recent NPPF⁹ 2019's paragraphs 65 and 66, Cornwall has stated it will be providing Redruth with an HRF as part of the next iteration of the emerging Local Plan. However, the neighbourhood planners have asked if AECOM is able to calculate as an interim step before that figure emerges to indicate the potential HRF in line with national policy and best practice, and Cornwall have indicated they have no in-principle objection to this element of the HNA.
47. As such, a quantity figure does need to be caveated in the sense that it has the potential to differ from any HRF provided by Cornwall after the completion of this report, and that in line with national policy, the Cornwall HRF will supersede that calculated by AECOM (if it comes to a different figure).
48. With all this in mind, an appropriate RQ for this study is as follows:

RQ 1: In the current planning context, what quantity of housing in the Neighbourhood Area should be planned for over the Plan period?

3.1.2 Tenure and Affordability

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

RQ 2: What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

3.1.3 Type and Size

51. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. The neighbourhood group recognise there is need to provide adequate housing to retain young people within the area as well as fulfilling the needs of the elderly population
52. The aim of this research question is to provide neighbourhood planners with robust evidence on the types and sizes needed by the local community. This will ensure future development truly reflects what residents need.

RQ 3: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

3.1.4 Specialist Housing for Older and Disabled People

53. The neighbourhood planning group wishes to ensure that future housing provision takes into account the needs of older people and ensures that there is an adequate supply of suitable dwellings provided to meet the needs of disabled people. In terms of older persons housing, the group is particularly interested in how those needs might be met through a variety of solutions – such as smaller units, independent living provision, and so forth – rather than just care homes.

⁹ NPPF, paragraph 65 and 66, page 18- available at <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

There is significant overlap between this area and the question of housing type and size, but this question will specifically address the need for specialised housing for older people through the Plan period. In terms of disabled people, it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Plan area retains or provides housing that is suitable for disabled people.

RQ 4: What provision should be made for specialist housing for the elderly and disabled people over the Neighbourhood Plan period?

3.2 Relevant Data

3.2.1 Local authority evidence base

54. It is reasonable and appropriate for neighbourhood planners to refer to existing needs assessments prepared by the Local Planning Authority (LPA) as a starting point. As Redruth Neighbourhood Area is located within Cornwall's planning area, we therefore turned to the relevant Strategic Housing Market Needs Assessment (SHMNA). Cornwall undertook the SHMNA in collaboration with Plymouth City Council, South Hams District Council, West Devon Borough Council and Dartmoor National Park. The SHMNA, published in 2013, provides a strategic view of housing supply and demand in all housing sectors over the period 2011-2031, providing Cornwall Council with a comprehensive understanding of the dynamics and segments of the functional housing market area, which includes Redruth.
55. The SHMNA draws upon a range of data including population and demographic projections, housing market transactions and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the NA.
56. There are two caveats that apply to the SHMNA conclusions. Firstly, the SHMNA was published in 2013 and as such relies on evidence that may by now be considered out-of-date. Secondly, the SHMNA has limited consideration for the housing need at a parish-specific level, therefore in all the SHMNA's analysis Redruth forms part of a wider Cornwall authority.
57. For the purpose of this HNA, data from Cornwall's own evidence base to support their housing policies has been considered applicable and relevant unless it conflicts with more locally specific and/or more recently-produced evidence. The housing market evidence draws upon a range of data including population and demographic projections, housing market transactions, and employment scenarios. As such, it contains a number of points of relevance when determining housing need within the neighbourhood plan area, and has been referenced as appropriate.

3.2.2 Other relevant data

58. In addition to the Cornwall evidence base, we have assessed other evidence to ensure our study is robust for the purposes of developing policy at the NP level and is locally specific. This includes data from both Census 2001 and 2011, as well as from a wide range of other data sources, including:
 - Land Registry data on prices paid for housing within the local market;
 - Population and household projections produced by the Office of National Statistics (ONS);
 - Information on current property asking prices, for housing for sale or rent, from home.co.uk;
 - Valuation Office Agency (VOA) data on local housing stock by dwelling type; and
 - The Housing Learning and Improvement Network (LIN)'s SHOP@ tool for calculating need for differing types of specialist dwellings for elderly people.
59. Cornwall have advised that the CNA (rural area) apportionment of 1000 dwellings is split between parishes pro rata as a proportion of the remainder of the CNA figure (i.e. completions and commitments for the whole rural CNA Area are subtracted before dividing the remainder pro-rata.) Redruth has a 4% share of the 1000 homes, resulting in a minimum target of 40 dwellings. Taking recent completions in to account, suggests this target has already been reached (shown overleaf in Table 3-1). Therefore, Cornwall have advised the indicative housing apportionment should be 0 for the rural part of Redruth.

Table 3-1 Rural indicative housing apportionment

CNA	Local Plan Housing Figure	CNA Commitments April 2010 – March 2019	CNA Completions April 2010 – March 2019	Remainder of Local Plan Housing Figure
Camborne, Pool & Redruth Rural	1000	352	710	-
Parish	Adjusted pro rata rate	Parish Commitments April 2010 – March 2019	Parish Completions April 2010 – March 2019	Parish baseline figure (pro rata of CNA remainder)
Redruth	4%	38	46	-

Source: Cornwall Council

4. RQ 1: Quantity

RQ 1: What quantity of housing in the Neighbourhood Area should be planned for over the Plan period?

4.1 Introduction

60. The NPPF (paragraph 65) states that strategic policy-making authorities, “should establish a housing requirement figure for their whole area which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the Plan period. Within this overall requirement, strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations”.
61. NPPF paragraph 66 states that, “Where it is not possible to provide a requirement figure for a neighbourhood area¹⁰ the local planning authority should provide an indicative figure, if requested to do so by the neighbourhood planning body”. This ‘indicative’ figure should (amongst other things) “take into account factors such as the latest evidence of local housing need, the population of the neighbourhood area and the most recently available planning strategy of the planning authority.”¹¹
62. Given that no indicative housing requirement figure has been provided for the whole of Redruth¹² at the time of writing there is the opportunity here to calculate an objectively assessed Housing Need Figure (HNF) for the Neighbourhood Plan area¹³.
63. In calculating this HNF, it should be noted that paragraphs 65 and 66 place specific obligations on strategic or local planning authorities and no other parties (i.e. AECOM is not obliged to follow directly paragraphs 65 and 66). Having said this, clearly AECOM’s calculation will be of most use as a starting point, both to the neighbourhood group and to the LPA, if it can seek to mirror the NPPF suggested approach as closely as possible, and so this is the reasonable approach that has been taken.
64. The Planning Practice Guidance states, “Housing need is an unconstrained assessment of the number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations”.¹⁴
65. A housing need figure is a policy-off figure. This means that, while it takes account of the factors set out in paragraph 66 of the NPPF and dwelling completions over the course of the Plan period, it is an expression of total housing demand unconstrained by the limits of the land available to build on and developer capacity. It is also unconstrained by the impact of policies that either facilitate or obstruct development. A policy-off figure can subsequently be reviewed in light of further evidence including environmental constraints, land availability, relevant Local and Neighbourhood Plan objectives and policies, to formulate a policy-on Neighbourhood Plan housing requirement figure.
66. We have estimated the number of new dwellings that should be sought in the Neighbourhood Plan area over the Plan period (the Housing Need Figure or HNF) using a four-step approach seeking to reflect to the maximum extent the 2019 National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) advice. This is set out in the box overleaf.

¹⁰ For example, this could be where a neighbourhood area has been designated at a late stage in the strategic policy-making process, or after strategic policies have been adopted; or in instances where strategic policies for housing are out of date.

¹¹ NPPF, paragraph 66, page 18- available at <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

¹² Cornwall have suggested the allocation in the DPD accounts for urban area HNF. Cornwall’s data indicates that the rural area HNF should be 0.

¹³ This report calculates a quantity figure in place of a formally stated target for the entirety of the NA. The neighbourhood group should engage in further discussions with Cornwall regarding what the final HRF should be.

¹⁴ Paragraph: 001 Reference ID: 2a-001-20190220 at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Step 1: “the population of the neighbourhood area”

The HNF for the Neighbourhood Plan area should take as its starting point the housing target for the Local Planning Authority (LPA) in which it sits. The baseline for our calculation for NA is therefore a share of the current LPA Local Housing Need Assessment (LHNA) figure that reflects the share of the LPA population living in the Plan area.

NPPF requires Local Authorities, and anyone calculating LHN in their place, to use the standard method.¹⁵ This calculation takes the most recent MHCLG-approved household population projection for the LPA, applies to it an uplift based on the most recent ONS affordability ratio for that area, and then applies a cap to that number if certain conditions are met.

Step 2: “most recently available planning strategy of the planning authority”

We then follow the guidance presented in the NPPF which states that the initial HNF for neighbourhood plans should reflect “the overall strategy for the pattern and scale of development and any relevant allocations,”¹⁶ and “the most recently available planning strategy of the local planning authority.”¹⁷

This means introducing Local Authority spatial policy, housing targets, and assessments of housing need at different scales to estimate a more locally appropriate proportion of the LPA housing target that should be provided in NA. This will often result in a slightly different figure to that produced in Step 1.

Step 3: Dwelling completions

Next, any dwellings that have already been completed over the Plan period to the present date should be deducted from the total in order to provide a HNF for the remainder of the Plan period and an annual HNF that reflects past under- or over-delivery. While it is appropriate to consider existing commitments (i.e. dwellings with planning permission, but not yet completed) at this point, they should not be deducted from the total until they are completed.

Step 4: the Local Authority

The NPPF makes it clear that the Local Authority should provide housing numbers to designated neighbourhood planning areas within their area where requested to do so. To this extent, AECOM is performing a similar role to that required of the Local Authority in providing a HNF to the Neighbourhood Plan area. With this in mind, it is important the group share the HNF and underlying methodology once they have received the final version of this document with the LPA to seek confirmation it is aligned with their current planning strategy, in particular those circumstances which may justify an uplift to the HNF set out in PPG.¹⁸

67. Employing this methodology, the Housing Needs Figure for the Neighbourhood Area may be calculated as follows:

4.2 Standard method (Step 1)

68. Firstly, we calculate the Local Housing Need (LHN) for the LPA using the standard method outlined in Planning Policy Guidance, before taking the population of the Neighbourhood Plan area, and calculating the proportion of the total population of the LPA area that it represents. This percentage will then be used to determine the share of the LPA target that should be apportioned to the Neighbourhood Plan area.

69. The Cornwall LHN figure, using the standard method, is calculated as follows¹⁹:

¹⁵ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹⁶ NPPF, paragraph 65, page 18.

¹⁷ Ibid.

¹⁸ Paragraph: 010 Reference ID: 2a-010-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹⁹ Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

70. **Stage one** is to set the baseline, by calculating the projected average annual household growth in Cornwall over a 10-year period, beginning with the current year, using the most recent ONS household projections:
- Cornwall's 2014-based household projection for 2019, the current year, is 248,003. Its projection for 2029, is 269,657. This represents a total household growth of 21,654 households, which, divided by the number of years in the period (10), gives an annual growth rate of 2,165 households.
71. **Stage two** is to adjust this annual average using the most recent ONS median workplace-based affordability ratios,²⁰ which provide the ratio of house prices to earnings in various geographies. For each 1% increase in the ratio above 4, projected household growth should be increased by a quarter of a percent:
- Cornwall's 2018 median affordability ratio is 9.27. Using the formula outlined in PPG to calculate the adjustment factor²¹ results in a minimum annual figure of 2,877 dwellings (rounded).²²
72. **Stage three** is to apply a cap which limits the magnitude of increase an LPA can face. How this is calculated depends on the current status of relevant strategic policies for housing. There are two options depending on whether those policies were adopted within the last five years or are older:
- Option 1: where the relevant strategic policies were adopted within the last five years (at the point of making the calculation), the LHN is capped at 40% above the average annual housing requirement figure set out in the existing policies. This also applies where the relevant strategic policies have been reviewed by the authority within the 5-year period and have been found not to require updating.
 - Option 2: where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the LHN is capped at 40% above whichever is the higher of:
 - a) the annual average projected household growth for the area over the 10-year period identified in Stage One above; or
 - b) The average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).
73. The relevant strategic policy in this case is Policy 2a in the Cornwall Local Plan (adopted November 2016). As this document was adopted within the last five years, the first option above is applied and the LHN is capped at 40% above the average annual housing requirement figure set out in the Cornwall Local Plan.
74. The housing requirement figure in Policy 2a of the adopted Local Plan is for minimum of 52,500 new homes over the Plan period 2010-2030, which equates to an annual average of 2,625. The cap of 40% above this figure is therefore $2,625 \times 1.4 = 3,675$. Given that the cap of 3,675 is greater than the figure of 2,877 determined through the stage two calculation above, there is no need to apply the cap to limit the adjustment for affordability. The minimum LHN for Cornwall is therefore 2,877 net additional dwellings per year.
75. Having derived Cornwall's LHN, we now calculate Redruth's share of that target, by determining what proportion of Cornwall's population currently reside in Redruth and applying that percentage to Cornwall's LHN.
76. At the time of the last Census, there were 14,018 people living in Redruth, or 2.6% of the 532,273 people in Cornwall. Therefore, applying this percentage to Cornwall's LHN of 2,877 gives an indicative HNF for Redruth of 75 dwellings (rounded) per annum, or 1,496 dwellings over the Neighbourhood Plan period 2010 to 2030.

4.3 Latest available LPA planning strategy (Step 2)

77. However, as stated in NPPF guidance, it is important to acknowledge the relevant policies in the most recently available²³ development plan document for the LPA. The policies reflect the overall strategy for the pattern and scale of development and any relevant allocations. This requires producing a HNF for the Neighbourhood Plan area that takes

²⁰ Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

²¹ Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

²² The full calculation for this step is as follows: $((9.27 - 4) / 4) \times 0.25 + 1 = 1.329$. $2165 \times 1.329 = 2877.285$.

²³ This is the exact word used in the NPPF, i.e. not necessarily 'adopted'. In the case of Cornwall, the most recently 'available' planning strategy is Cornwall Local Plan Strategic Policies 2010 - 2030, the most recently 'adopted' planning strategy.

into account the Local Authority's spatial strategy, and therefore may differ slightly from the initial HNF calculated above.

78. In Cornwall, this document is the Cornwall Local Plan. The overall strategy for the pattern and scale of development is outlined in Policy 2a: Key targets.
79. Redruth is designated as part of the CPIR CNA. Whilst Camborne, Pool, Illogan & Redruth have distinct and separate identities, these settlements are considered to form a continuous corridor of urban development, which collectively represents Cornwall's largest conurbation. The Cornwall Local Plan allocates 6,200 dwellings over the planning period for the CPIR CNA. It is necessary instead to calculate Redruth's fair share of the CPIR CNA housing figure.
80. The share of this figure may be calculated for the Neighbourhood Area based on the proportional population. Redruth has a population of 14,018, which represents 29% of the CNA's entire population of 48,280²⁴. Therefore, on this basis 1,798 homes (29% of 6,200 homes) should be allocated as the 'fair share' of the CNA's target, which equates to an annual average of 90 dwellings per year (rounded) over the Local Plan period between 2010 and 2030.
81. We then take the 1,798 figure and calculate this as a proportion of the overall district target of 52,500 (urban and residual), this equals 3.42%. Therefore, the LPA's strategy suggests that 3.42% of district need should be met in Redruth. We then apply this 3.42% to the more up-to-date district LHN (calculated in Stage 1) of 2,877 per year. This equates to 98 dwellings for Redruth per year (rounded), or 1,960 dwellings over the entire Local Plan period.

4.4 Past dwelling completions (Step 3)

82. The next step is to subtract any net completions of new dwellings that have occurred since the beginning of the Neighbourhood Plan period, i.e. the period between 2010 and present, as well as considering commitments.
83. There have been 782 dwelling completions in Redruth between 2010 and present, as confirmed by data provided by Cornwall Council²⁵. There have been 1,062 dwelling commitments (i.e. planning permissions that are yet to be implemented) over the same period. However, AECOM recommends that commitments should not yet be discounted from the overall quantity figure; it is only once they are completed that this can take place.
84. Therefore, after deducting the completions (782) a remaining HNF of 1,178 dwellings (1,960-782) can be calculated for the remainder of the Plan period to 2030, equating to 107 dwellings per year (rounded). Of these 1,178 dwellings, 1,062 are already committed, leaving an outstanding 116 uncommitted dwellings to be accommodated. It is worth noting of these 1,062 approvals 988 have not yet commenced construction. These permissions remain dormant and risk expiration. Therefore, it is unlikely that all 1,062 approved dwellings will be delivered by the end of the period.

4.5 Final Housing Need Figure

85. Based on the evidence above, this HNA recommends an **overall HNF of 1,960 dwellings, which equates to 98 dwellings per year over the Neighbourhood plan period, between 2010 and 2030**, or a remaining HNF of 1,178 dwellings between 2019 and 2030, which equates to 107 dwellings per year.
86. The housing figure for Cornwall is derived from the Government's Standard Methodology and is likely to change annually as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in Cornwall and any indicative housing requirement figure provided by Cornwall for neighbourhood areas.
87. At the time the final Neighbourhood Plan housing requirement figure is provided by Cornwall, it can be considered to supersede the provisional calculation within this study since it will be using more recent data. However, the AECOM figure quoted above can be used as the basis for the neighbourhood group's planning and also the baseline for the group's discussions with the LPA to confirm the final housing figure for the Neighbourhood Plan.

²⁴ 2011 Census

²⁵ The Neighbourhood Group's own analysis of completions data suggests there has been 787 completions (not including gypsy and traveller site completions). This minor discrepancy hasn't been verified by AECOM, therefore for the purposes of this report we will refer to the data provided by Cornwall Council.

5. RQ 2: Tenure and Affordability

RQ 2: What Affordable Housing (social housing, affordable rented, shared ownership, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

5.1 Introduction

88. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the level of payments to be made in return for these rights. Broadly speaking, tenure falls into two categories, Affordable Housing and Market Housing, depending on whether the household benefits from a subsidy of some sort to enable them to live in their home.
89. This section will examine the tenure of dwellings in the current stock and recent supply. Then, looking at affordability, it makes an assessment on whether continuation of these trends would meet future needs. We will also investigate whether there are misalignments between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new developments to prioritise certain tenures, to bring supply and demand into better alignment.²⁶

5.2 Definitions

90. It is necessary at this stage of the study to make clear the distinction between Affordable Housing as planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. AH comprises those forms of housing tenure that fall within the definition of Affordable Housing set out in the current NPPF: social rent, affordable rent, affordable private rent (brought forward by build to rent schemes), and forms of AH designed to offer affordable routes to home ownership.²⁷ To distinguish the latter from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
91. The definition of Affordable Housing set out in the NPPF makes clear the Government's commitment to home ownership (broadening the definition of AH which had previously referred only to social and intermediate housing to include a range of low-cost housing opportunities for those aspiring to own a home, including starter homes). However, it still recognises the important role of social, affordable, and private rent tenures for those not currently seeking home ownership.
92. In paragraph 64 of the NPPF, the Government introduces a recommendation that "*where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership*". In line with PPG,²⁸ the assumption should be that a 'major housing development' can be defined as a site of 10 dwellings or more, and that affordable home ownership includes starter homes, shared ownership homes, and homes available for discount market sale.

5.3 Current tenure profile

93. In order to set a baseline for our examination of tenure, it is necessary to present a picture of the Neighbourhood Plan area based on the most recent reliable data. Table 5-1 overleaf presents Census data from 2011; this table shows the distribution of how households occupy their homes within Redruth, compared to the rest of Cornwall and England.
94. Table 5-1 overleaf highlights a lower percentage of home ownership in Redruth compared to Cornwall although similar to levels in England. The proportion of shared ownership in Redruth is slightly lower compared to local and national levels. The percentage of social rented households in Redruth is higher than Cornwall but lower than the national level. Finally, Redruth has a higher proportion of private rented households compared to Cornwall and England.

²⁶ PPG Paragraph: 021 Reference ID: 2a-021-20160401, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

²⁷ NPPF 2018.

²⁸ PPG 031 Reference ID: 23b-031-20161116, available at <https://www.gov.uk/guidance/planning-obligations>

Table 5-1: Tenure (households) in Redruth, 2011

Tenure	Redruth	Cornwall	England
Owned; total	62.8%	68.8%	63.3%
Shared ownership	0.6%	0.8%	0.8%
Social rented; total	15.0%	12.0%	17.7%
Private rented; total	20.1%	16.8%	16.8%

Sources: Census 2011, AECOM Calculations

95. In Table 5-2, we note the changes in the way households occupied their homes during the intercensal period. The table highlights how the number of households outright owning their homes, increased in Redruth at a greater rate than that found in Cornwall and England (where national trends indicate a decline in home ownership levels). The amount of shared ownership in Redruth also increased, albeit at a significantly lower rate than the increase at the local and national levels. In 2001 the proportion of shared ownership in Redruth was equal to that at the district level (0.68%). Redruth's slower growth in shared ownership may be explained by the relatively large private rented sector (20% of dwellings) which is substantially higher than the comparator areas. Households may have ended up staying in the private rented sector, on the assumption that they will be able to buy eventually, rather than opting for shared ownership.
96. The social rented sector in Redruth increased at a rate greater than the regional level, contrasting the decrease found at the national level. The private rented sector experienced the greatest rate of change of any tenure in Redruth. The number of private rented households in Redruth increased at a significantly greater rate than the regional level, and similar to the growth experienced at the national.

Table 5-2: Rates of tenure change in Redruth, 2001-2011

Tenure	Redruth	Cornwall	England
Owned; total	3.4%	2.9%	-0.6%
Shared ownership	5.4%	22.5%	30.0%
Social rented; total	15.2%	8.9%	-0.9%
Private rented; total	80.0%	53.8%	82.4%

Sources: Censuses 2001 and 2011, AECOM Calculations

5.4 SHMNA findings

97. The SHMNA refers to Cornwall's affordability ratio which is calculated by dividing house prices by gross annual earnings e.g. income = £25,000, house price = £200,000, House price: income ratio = £200,000/£25,000 = 8, (the house price is 8 times income). The SHMNA highlights that Cornwall's ratio of 9.08 significantly exceeds the national benchmark ratio of 6.5. The SHMNA states that in Cornwall many lower income households will be priced out of entering the private housing market, unless they save considerable deposits.
98. Overall, the SHMNA states that while a large proportion of need can only be addressed through traditional social housing products in each authority, there are a number of households in need who could have their needs met through other affordable products. These could include various 'Intermediate' housing products – providing an important step onto the housing ladder in the future.
99. Specifically, in terms of affordable housing the SHMNA suggests that there will be a high demand for smaller properties, 1 – 2 bed, with need for this size of property making up 82% of total need. Importantly, however, the lower levels of turnover in larger properties also suggests that in order to address future need and the current backlog, new larger affordable properties will also be required to allow choice within the housing market.
100. The SHMNA concludes the affordable housing need for Cornwall is 2,240 dwellings per annum over a five-year period (ending in 2018). Pro-rated for Redruth, this equals 56 per annum (based on 2.5% of the population of households). It is important to note that the SHMNA estimate of affordable housing need assumes that the backlog of need will be met over this five-year period. Whereas, the affordable housing need figure set out in section 5.7 of this HNA report assumes the backlog will be met over the plan period, producing a lower annualised figure than the SHMNA.

5.5 Affordability by tenure

101. Having reviewed both the tenure of the existing housing stock in Redruth and the findings of the SHMNA, this report assesses future provision over the Neighbourhood Plan period.
102. In order to understand whether the tenure profile of the current stock reflects the needs of the population currently and over the Plan period, an important starting point is to consider whether this profile provides different market segments access to dwellings of a suitable type and size, given their household composition.

5.5.1 House prices

103. In line with PPG²⁹, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio³⁰ (LQAR) and the Median Affordability Ratio³¹ (MAR). While this is a relatively crude measure of affordability, as it does not take account of the cost of servicing mortgage debt, it is a useful basic measure for benchmarking affordability changes over time. Further, PPG makes clear that lower-quartile house prices may be used as a benchmark for entry-level home prices.³²
104. An entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to be in conformity with Government guidance on overcrowding, such a home would require three habitable rooms (i.e. comprise a flat or house with one or two bedrooms). Entry-level properties can therefore also be understood as one or two-bedroom flats/houses.
105. Figure 5-1 on the following page looks at selected measures of house prices by quartile in Redruth. It shows that there has been an overall increase in houses prices in Redruth between 2009 and 2018, with the median house increasing by 13.8%. Within this period, between 2010 and 2013, median house prices in Redruth slightly fell. Median house prices recovered in 2014, reaching a peak in 2017, before slightly falling again 2018. Lower quartile prices experienced similar fluctuations over the period, with an overall increase of 10.5%.

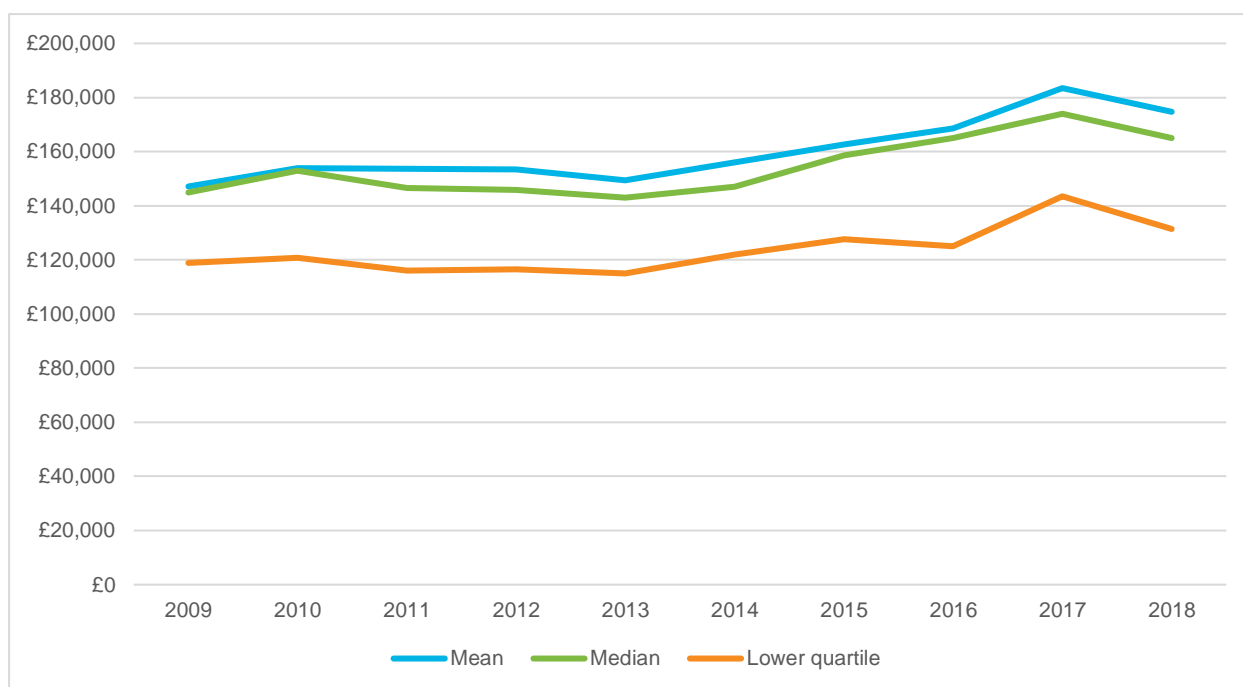
²⁹ See Paragraph: 021 Reference ID: 2a-021-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

³⁰ See Glossary in Appendix.

³¹ See Glossary in Appendix.

³² See Paragraph: 021 Reference ID: 2a-021-20190220, available at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Figure 5-1: House prices by quartile in Redruth between 2009 and 2018



Source: Land Registry PPD

106. Table 5-3 below breaks down house prices by type of house, as recorded by Land Registry Price Paid Data (PPD). It shows that prices for all types of houses rose between 2009 - 2018. In terms of individual house types, detached properties experienced the greatest price growth over the period, followed by semi-detached and terraced properties respectively. Flats experienced the lowest price growth out of any housing type. This may reflect the relatively high starting base for flats in 2009.

Table 5-3: House prices by type in Redruth, 2009-2018 (Thousands £)

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth
Detached	£187	£208	£212	£201	£196	£206	£219	£229	£235	£230	23.4%
Semi-detached	£159	£168	£160	£158	£161	£167	£166	£187	£201	£184	15.6%
Terraced	£141	£146	£129	£141	£132	£139	£147	£144	£162	£157	11.1%
Flats	£111	£108	£101	£95	£101	£102	£102	£101	£101	£102	-7.8%
All Types	£147	£154	£154	£153	£149	£156	£163	£169	£183	£175	18.7%

Source: Land Registry PPD (in £ Thousands, rounded to nearest £1,000)

5.5.2 Income

107. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. As such, we have used average household income estimates published by ONS³³ at the level of the Middle-layer Super Output Area (MSOA). In the case of Redruth the MSOAs most suitable for use as a proxy for the Neighbourhood Plan area boundary are E02003919 and E02003920 (also referred to as

³³ Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/smallareamodelbasedincomeestimates/financialyearending2016>

Cornwall 046 & Cornwall 049). Further details on the extent of this MSOA, including a map, and why it was selected as a proxy for the Neighbourhood Plan area, are set out in Appendix A.

108. The average net annual household income (i.e. take-home pay) before housing costs (equalised) across E02003919 and E02003920 in 2015/16 was £25,600, while the average total annual income was £31,650³⁴.
109. The second source of data provides the Lower Quartile (LQ) average earnings that is helpful for understanding affordability challenges among those with lower than average earnings, but it is only available at the District level and so is less locally-specific.
110. It is derived from ONS annual estimates of paid hours worked and earnings for UK employees to local authority level. Although 2018 provisional data has been published, the revised 2017 data is considered more robust and is therefore used here.
111. Cornwall's gross LQ weekly earnings for 2017 was £231 or approximately £12,033 per year. This is a figure for individuals and so households with two LQ earners could have incomes of around £24,066 per year.
112. This LQ figure of is a helpful indication of what those in the lowest earnings brackets are able to put towards their housing costs, although it is important to note two caveats. First, this figure applies to the wider District and may therefore differ from actual LQ earnings levels within the NA itself. Second, it is an indication of gross rather than net earnings, and so the actual amount of earnings received after taxes and expenses will likely differ.

5.6 Affordability Thresholds

113. In order to gain a clearer understanding of local affordability, it is also useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds'. Purchase Thresholds (PT) denote the standard household income needed to access mortgage products, and Income Thresholds (IT) denote the maximum share of a family's income that should be spent on accommodation costs. The PT is particularly helpful for understanding the affordability of market homes.
114. We have determined thresholds for: market purchase; Private Rented Sector (PRS); shared ownership at 25%, 50%, and 75%; affordable rent set at 80%, and estimated social rent levels across Redruth. These calculations are detailed in Appendix A. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations. Table 5-4 below shows the annual cost of different tenures and the income required (excluding deposits saved) to support these costs within Redruth.

Table 5-4: Affordability thresholds in Redruth (income required, £)

Tenure	Cost of purchase	Annual rent	Annual Income required ³⁵
Entry-level market sale	£118,350	N/A	£33,814
Shared ownership (75%)	£88,763	£3,288	£28,648
Starter homes	£94,680	N/A	£27,051
Entry-level market rent	N/A	£6,799	£27,197
Shared ownership (50%)	£59,175	£6,575	£23,482
Shared ownership (25%)	£29,588	£9,863	£18,316
Affordable rent	N/A	£5,439	£21,757
Social rent - 3 bed dwelling	N/A	£4,778	£19,113
Social rent - 2 bed dwelling	N/A	£4,300	£17,200

Source: AECOM Calculations

115. The income required to afford the different tenures is then benchmarked against the average total annual income for the Neighbourhood Plan area which is set at **£31,650**, shown by the green line in Figure 5 2 overleaf.

³⁴ Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

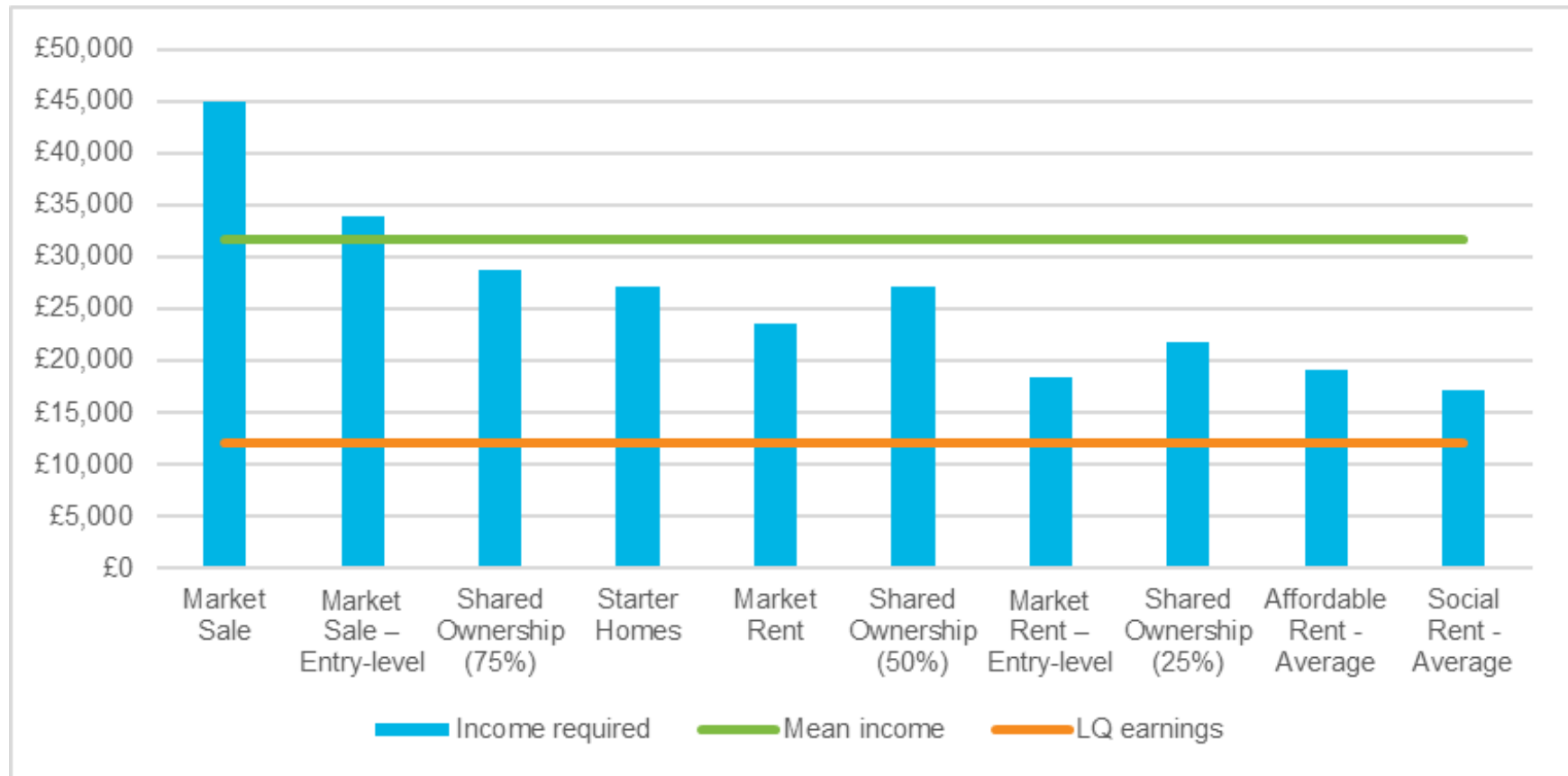
³⁵ On top of deposit assumed at 10% (see Appendix A)

116. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average market home for sale (i.e. the PT) is higher than that available to those on median household incomes. The income required to buy an average entry-level home for sale is marginally higher than the income available to those on median incomes and out of reach for those on lower quartile household incomes.
117. Turning to properties for purchase through the Starter Homes (essentially a 20% discount on the open market purchase price) and Shared Ownership tenures, i.e. those aimed at people on modest incomes and priced out of home ownership, the PT would allow households on median incomes to access these products. Again, they are out of reach to those on LQ incomes. It is important to raise caution that the discount required on Starter Homes in the NA, to be affordable to those on even median incomes, is likely to mean they are unviable since the purchase price is likely to fall below build costs. It is more likely that starter homes are discounted in relation to new build properties (which are usually more expensive than the existing stock) and as such, less affordable to those who need them.
118. Government policy aimed at tackling the housing crisis continues to focus on helping those on lower quartile incomes and others who are unable to afford market housing for purchase, such as younger buyers, to access affordable routes towards homeownership.³⁶ Examples of this form of tenure include Starter Homes and Shared Ownership. In the case of Redruth, all of these tenures are out of reach for those on lower quartile incomes, whilst those on median incomes would be able to afford these products if they can be delivered at these prices.
119. The adopted local policy indicates that at least 25% of dwellings should be affordable. This suggests of the overall HNF of 1,960 dwellings, 490 should be affordable. Of the 782 completions in the plan period so far, 253 dwellings have been affordable³⁷, representing approximately 32%.
120. It is worth noting that the 253 affordable housing figure above represents those dwellings delivered through the planning system, however, occasionally market houses are purchased by a registered social landlord after being included in the completions figures. The Cornwall Affordable Housing team's data suggests 314 affordable dwellings have been delivered so far during the plan period. This represents approximately 40% of the 782 completions in the plan period so far.
121. It is important to remember that the 25% affordable housing policy requirement will continue to apply no matter how many affordable housing units have been delivered in the past (with some variation depending on their individual circumstances). If the full HNF is delivered over the Plan period, Redruth could receive a relatively high quantity of Affordable Housing.
122. In terms of accommodation for those on lower quartile earnings and incomes, social and affordable rented tenures will remain critical in enabling these households to access housing, often alongside housing benefit where individual earnings or household incomes are insufficient. The PRS may also be accessible to these households when supported by housing benefit.
123. The findings of this chapter on the potential for providing affordable and low-cost tenures across the Neighbourhood Plan area align with those of the SHMNA. The SHMNA highlights Cornwall's significantly high affordability ratio, stating, whilst a large proportion of need can be addressed through traditional social housing products, there is a proportion of households who could have their needs met through other affordable products- including various 'Intermediate' housing products.

³⁶ See the White Paper 'Fixing Our Broken Housing Market', at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

³⁷ Figure provided by Cornwall Council Planning & Sustainable Development Service. The Neighbourhood Group's own analysis of completions data has only identified 245 dwelling. This discrepancy hasn't been verified by AECOM, therefore for the purposes of this report we will refer to the data provided by Cornwall Council.

Figure 5-2: Affordability thresholds in Redruth (income required, £)



Source: AECOM calculations

5.7 Affordable - quantity needed

124. Overleaf, in Tables 5-5 and 5-6 we have calculated, using PPG as a starting point,³⁸ an estimate of the total need for affordable housing for rent and sale in Redruth over the Plan period. These estimates have been produced for this HNA because the SHMNA does not include a complete and separate estimate of the need for affordable home ownership from household's who can afford to rent but cannot afford to buy (and would prefer to do so). Like most SHMAs, the estimate of affordable housing need is focused on those who cannot afford to rent in the market. It is worth noting that AECOM's estimate of the need for affordable rented tenures is very similar to the SHMNA's estimate of affordable housing need when pro rated to the NA.
125. It should be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. For example, Census 2011 data is increasingly out-of-date. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out in Table 5-5 are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
126. It should also be noted that figures in Table 5-5 are largely dependent on information provided by Cornwall Council in its capacity as manager of the local housing waiting list. The council's approach to banding applications can be summarised as 'urgent' priority (Band A), 'high' priority (Band B), 'medium' priority (Band C), 'low' priority (Band D) and all other groups (Band E). A full description of the banding system can be found on Cornwall Housing's website³⁹. Table 5-5 relies only on those in the bands A to D, to avoid the risk over over-estimating or double-counting affordable housing need.
127. Table 5-5 shows that there are projected to be approximately 105 households in need of social/affordable housing to rent over the Plan period. These households can afford to neither rent nor buy on the open market and will require social and affordable rented housing. This includes households who are in need currently and those expected to fall into need by 2030.
128. Table 5-6 shows that there are projected to be approximately 144 households in Redruth in need of affordable housing for sale over the Plan period. It is assumed that these households are not able to afford to buy housing on the open market, but they are all able to afford to rent at current rental prices. They are therefore not in need of affordable or social rented dwellings but would benefit from the provision of affordable housing for sale products such as shared ownership or Starter Homes. Not all such households will necessarily aspire to home ownership, and the model is unable to distinguish those with an intention to buy from those who rent by choice.
129. It is important to realise that these figures does not overlap entirely with, or supersede, the overall Housing Requirement Figure for the Neighbourhood Plan area. Rather, they have an unspecified degree of overlap with it. There is no policy or legal obligation on the part either of the Local Authority or neighbourhood planners for it to be met in full, either within or outside the Neighbourhood Plan area, though there are tools available to neighbourhood planners that can help ensure that it is met to a greater extent if resources permit.
130. These include using community development orders, developing community land trusts, and identifying affordable housing exception sites. Despite the limitations applying to neighbourhood plan-level affordable housing policy, in cases where the demand-side evidence shows a high level of affordable housing need, a neighbourhood plan can be an ideal means of promoting an affordable housing exception site. Note that the separate question of the precise location for the exception site is a matter for the supply-side evidence base, i.e. the Site Assessment process).
131. Entry-level exception sites are defined as sites that provide entry-level homes suitable for first time buyers (or equivalent, for those looking to rent), and are particularly suitable for neighbourhood plan areas where there is evidence of a high level of younger people who are not able to afford homes on the open market. By contrast, rural exception sites are defined by the NPPF as small sites used for affordable housing in perpetuity where sites would not normally be used for housing. They 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. They can only be provided in designated rural areas.

³⁸ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

³⁹ Available at: <https://www.cornwallhousing.org.uk/find-a-home/homechoice-housing-register/banding-details/>

132. It is also important to remember that even after the Redruth, or indeed any other, Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, its allocation to those in need and the management of the housing waiting list all remain the responsibility of the local authority rather than neighbourhood planners.
133. In this sense, it must be acknowledged that neighbourhood plans are by their nature relatively constrained in terms of the extent to which they can meet affordable housing need, unless there is a specific policy on the housing supply-side (e.g. the identification of one or more housing exception sites over and above those required by the Local Plan).
134. The first part of the model estimates the need for affordable/social rented homes in Redruth. The calculations in Table 5-5 provides a figure for the number of households who need Affordable Housing because they cannot afford to rent in the market. If they are to be accommodated in affordable homes, they will need social or affordable rent. The methodology on how this is calculated is explained step by step in Appendix B (Table B-1).

Table 5-5 : Households who need social/affordable rent in Redruth over the plan period

Stage and Step in Calculation		Estimate
STAGE 1: CURRENT NEED		
1.1	Current households in need (including homeless households)	102
1.2	<i>plus</i> additional overcrowded and concealed households	114
1.3	<i>equals</i> Total current housing need (gross) (1.1 + 1.2)	216
1.4	<i>equals</i> annual requirement over plan period	10.8
STAGE 2: NEWLY ARISING NEED		
2.1	New household formation	37
2.2	proportion of new households unable to rent in the market	18%
2.3	New households X proportion unable to rent (2.1 x 2.2)	6.66
2.4	<i>plus</i> existing households falling into need	0
2.5	<i>equals</i> Total newly arising need per year (2.3 + 2.4)	7
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1	Supply of social/affordable re-lets (including transfers)	12.2
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall shortfall (or surplus) (1.5 + 2.5 – 3.1) per annum		5.26
Total NA need for Affordable Housing for rent in Redruth over the Plan period		105

Source: AECOM Calculations

135. Table 5-6 overleaf sets out the second part of the assessment, providing a figure for the number of households who need Affordable Housing because they cannot afford to buy in the market. They can afford to rent however and so this estimate is different in nature to the first group and their needs less urgent. If they are to be accommodated in Affordable Housing these households will need some form of affordable home ownership, such as shared ownership, Starter Homes, rent to buy or intermediate rent. The methodology on how this is calculated is explained step by step in Appendix B (Table B-2).
136. The majority of those households identified overleaf in Table 5-6 currently live in the PRS because they cannot afford to purchase a home. Based on our earlier assessment of the cost of the PRS and open market sale, these households are likely to be on incomes of around £20-35,000 (see Figure 5-4). In order for affordable home ownership products to be affordable to this group, they would need to be accessible to those on incomes broadly in this range.

Table 5-6: Households who need subsidised home ownership in Redruth over the Plan period

Stage and Step in Calculation		Estimate
STAGE 1: CURRENT NEED		
1.1	Current need	117
1.2	per annum (1.1/ plan period)	5.85
STAGE 2: NEWLY ARISING NEED		
2.1	New household formation	37
2.2	% unable to buy (but able to rent)	9%
2.3	Newly arising need per annum	3.3
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1	Supply - intermediate resales	1.95
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Shortfall per annum		7.2
Total NA need for Affordable Housing for sale in Redruth over the Plan period		144

Source: AECOM Calculations

137. The estimates in Tables 5-5 and 5-6 taken together equate to 12.5 affordable homes per annum. As previously mentioned, this assumes that the backlog is addressed over the entire plan period. If we were to make the same assumption as the SHMNA (backlog addressed over 5 years) the AECOM estimates would result in 37.7 social/affordable homes for rent per annum and 24.8 affordable for sale, a total of 62.5 affordable homes per annum. This is of a similar order of magnitude to the SHMNA pro-rated Redruth figure of 56 affordable homes per annum.

5.7.1 Tenure split within Affordable Housing

138. The estimates presented above indicate there is need/demand for both tenures of affordable housing. A ratio of 105 affordable rent to 144 affordable sale, or 42% to 58% in percentage terms would suggest the need for affordable homes for rent and for sale in Redruth are broadly balanced. In terms of the most appropriate mix of tenures within Affordable Housing this could justify a policy of around 50:50 affordable housing tenure split in the NP.

Table 5-7: Tenure split based on HNA estimates (Affordable Housing)

Routes to home ownership, of which	58%
Discounted market homes	10%
Shared ownership	48%
Affordable Housing for rent	42%

Source: AECOM calculations

139. However, there are other considerations in setting the tenure mix in affordable housing policies. Cornwall's affordable housing policy, as set out in the Local Plan, which seeks a target provision of 70% affordable rented and 30% intermediate tenures (for new housing schemes of more than 10 dwellings). This policy contrasts with the figures produced in the calculations above for Redruth. Importantly, local authorities are likely to want to prioritise the delivery of social/affordable rent because households needing this tenure do not have any other choice in the market. They have the most urgent needs and may be homeless or living in temporary accommodation. The Cornwall Local Plan policy of 70:30 is likely to reflect this objective as well as evidence of need. For this reason, we do not recommend the Redruth Neighbourhood Plan seeks an alternative tenure split without further discussion with the LPA.

140. Where the neighbourhood planners wish to craft policy that depart from the district-level policy it is likely that further evidence might be required (e.g. viability studies) as well as discussion with the LPA and local registered providers. Another option is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-size circumstances in addition to this evidence.

141. In line with Paragraph 64 of the NPPF, at least 10% of the homes provided in a development⁴⁰ should be available for affordable home ownership. As Local Policy and our affordability analysis suggest, there is the ability to provide more than this within the NA. Figure 5-2, suggests that in Redruth, there is potential to provide shared ownership homes (at a range of shares from 25% upward). It should be noted, however, that the precise ownership share to be offered is not something that it is in the power of neighbourhood planning policies to enforce.
142. The affordability of starter homes or similar discounted market sale products will depend on how they are priced by developers. Our analysis suggests they would be affordable to those on median incomes if priced at a discount to the existing stock. However, at these prices, they may not be viable. They are more likely to be priced at a discount to the price of new build properties (which are typically substantially higher than prices in the existing stock). This may mean they become unaffordable to those on modest incomes and may not extend home ownership beyond existing entry level properties.
143. The NPPF also specifies that exceptions to the 10% affordable home ownership requirement are permissible when such development will “significantly prejudice the ability to meet the identified affordable housing needs of specific groups”- in other words, in cases where the development of affordable home ownership dwellings would reduce the provision of other types of affordable housing such as social and affordable rented homes. Based on the findings of this chapter, there is no evidence that going beyond the 10% threshold in Redruth would prejudice the provision of much needed affordable rented homes.
144. Given that shared ownership is recommended as an affordable route to home ownership at a reasonable proportion, it is worth looking at the scheme in more detail. As a form of tenure, it is generally more affordable than buying and renting privately – both in the NA and the Country as a whole. Shared ownership is particularly known for being an affordable option for those seeking to get on the housing ladder such as newly forming households and families. Given that Redruth is currently attracting these types of households, makes it a suitable form of tenure for the NA.
145. It is also popular due to the increased choice, control and security it offers in comparison to other tenures. However, it should be noted that there are some caveats to shared ownership which bring its affordability into question. For example, buyers still have to pay service charges which are not fixed and can increase unpredictably. Buyers are also responsible for the maintenance of the property, however small their share in the property. Staircasing can also be costly. Given that the purchase of the additional share will rise as market values rise. Furthermore, the discount attained through renting the remaining share can in certain locations be similar to the difference in price between a new build and existing dwelling, meaning that a new shared ownership dwelling is often no more affordable than an existing dwelling offered for market sale.

5.8 Conclusions- Tenure and Affordability

146. Whilst homeownership remains the most popular tenure, Redruth is characterised by a lower level of home ownership and a higher of private rented households compared to Cornwall and England. Redruth has a higher proportion of private rented households compared to Cornwall and England. The percentage of social rented households in Redruth is higher than Cornwall but lower than the national level.
147. During the intercensal period the number of households outright owning their homes, increased in Redruth at a greater rate than that found in Cornwall and England (where national trends indicate a decline in home ownership levels). The amount of shared ownership in Redruth also increased, albeit at a significantly lower rate than the increase at the local and national levels.
148. The social rented sector in Redruth increased at a rate greater than the regional level, contrasting the decrease found at the national level. The private rented sector experienced the greatest rate of growth of any tenure in Redruth increasing at a significantly greater rate than the regional level, but similar to the growth experienced across England.
149. There has been an overall increase in housing prices in Redruth between 2009 and 2018, with the median house increasing by 13.8%, whilst lower quartile prices experienced an overall increase of 10.5%. In terms of individual house types, detached experienced the greatest price growth over the period, followed by semi-detached and terraced respectively. Flats experienced the lowest price growth out of any housing type. This may reflect the relatively high starting base for flats in 2009 as well as their popularity
150. It is apparent that the income required to buy an average market home for sale is insufficient for those on median household incomes. On top of this, starter homes and shared ownership at 50% and 75% are also out of reach for those

⁴⁰ The NPPF is clear that the 10% forms a part of the overall affordable housing contribution from the site.

on median incomes. These findings align with those of the SHMNA, which highlights Cornwall's significantly high affordability ratio.

151. In the case of Redruth, those on lower quartile incomes face an even greater struggle to find accommodation as all tenures are out of reach for those on lower quartile incomes, without the support of housing benefit. It is therefore evident that household affordability is an issue in the NA, with even those on median incomes unable to afford entry level prices. A strong focus should therefore be placed on delivering more affordable housing, to enable all potential residents to access housing in Redruth.
152. Over the Plan period we estimate 105 households will need affordable housing for rent and 144 households will need affordable housing for sale, representing a broadly balanced split of 42% to 58% in percentage terms. This would appear to contradict Cornwall's Local Plan, which seeks a target provision of 70% affordable rented and 30% intermediate tenures. However, our estimates identify a wider group of households who 'can rent; can't buy'. There is a large potential market for affordable homeownership but their needs are less urgent than those who cannot afford to rent. It is important that the neighbourhood planners liaise with and seek the support of the LPA should they wish to depart from the district-level policy.

6. RQ 3: Type and Size

RQ 3: What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

6.1 Introduction

153. The Redruth Neighbourhood Plan will need to include policies informed by robust data on what sizes and types of housing would be best suited to the local community. This will help ensure that future developments give local people at all stages of life the options they require, while keeping the market operating efficiently.
154. PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition, to address future, as well as current community need. For this reason, we firstly consider the type and size of the existing housing stock in Redruth. Demographic shifts in age and household composition will then be considered. Finally, the future demand for housing by size and type will be determined by the way different household types currently occupy their dwellings in the LPA, and then applying to that baseline assessment demographic projections of how the Neighbourhood Plan area population is likely to change by the end of the Plan period.

6.2 Existing types and sizes

6.2.1 Background and definitions

155. Before beginning our consideration of dwelling type and size, it is important to understand how different types of households occupy their homes. Crucially, and unsurprisingly, household ‘consumption’ of housing (in terms of housing size) tends to increase alongside wages, with the highest earning households consuming relatively more (i.e. larger) housing than those on lower incomes. Similarly, housing consumption tends to increase, alongside wealth, income, and age, such that older households tend to have larger homes than younger households, often as a result of cost and affordability.
156. In this context, even smaller households (those with fewer than three inhabitants) may be able to choose to live in larger homes than they require, and thus would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, and can distort considerations of future housing needs, with market dynamics and signals giving a very different picture than demographics, household type and size would suggest for future years.
157. In order to understand the terminology surrounding dwelling size analysis, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls. Dwelling size data is collected by determining the number of rooms being occupied by each household. In the section that follows, ‘dwelling sizes’ should thus be translated as follows⁴¹:
- 1 room = bedsit
 - 2 rooms = flat/house with one bedroom and a reception room/kitchen
 - 3 rooms = flat/house 1-2 bedrooms and one reception room and/or kitchen
 - 4 rooms = flat/house with 2 bedroom, one reception room and one kitchen
 - 5 rooms = flat/house with 3 bedrooms, one reception room and one kitchen
 - 6 rooms = house with 3 bedrooms and 2 reception rooms and a kitchen, or 4 bedrooms and one reception room and a kitchen
 - 7+ rooms = house with 4 or more bedrooms
158. It is also useful to clarify the Census terminology around dwellings and households spaces. These can be confusing where different terminologies such as flats, apartments, shared and communal dwellings, and houses in multiple occupation, are used. Dwellings are counted in the Census by combining address information with Census returns on whether people’s accommodation is self-contained.⁴² As such, all dwellings are classified into either “shared” or “unshared” dwellings. Household spaces make up the individual accommodation units forming part of a shared dwelling.
159. The key measure of whether a dwelling is shared or unshared relates to the Census’ definition of a household. A

⁴¹ At <https://www.nomisweb.co.uk/census/2011/qs407ew>

⁴² At <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

household is defined as “One person living alone or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area.”⁴³ On this basis, where unrelated residents of a dwelling share rooms other than a kitchen, this would be considered a single household in an unshared dwelling, whilst where only a kitchen is shared, each resident would be considered their own household, and the dwelling would be considered shared.

6.2.2 Dwelling type

160. The 2011 Census shows that there were 6,438 households in Redruth, living in 1,573 detached houses, 1,655 semi-detached, 2,080 terraced houses, and 1,116 flats. Compared with the LPA, Redruth is characterised by a significantly higher proportion of terraced dwellings and a significantly lower proportion of detached dwellings. Redruth has slightly higher proportions of semi-detached dwelling and flats compared to Cornwall (see Table 6-1 below).

Table 6-1: Accommodation type (households), Redruth 2011

Dwelling type		Redruth	Cornwall	England
Whole house or bungalow	Detached	24.4%	37.7%	22.4%
	Semi-detached	25.7%	24.5%	31.2%
	Terraced	32.3%	22.8%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	11.8%	8.7%	16.4%
	Parts of a converted or shared house	4.3%	3.6%	3.8%
	In commercial building	1.3%	1.2%	1.0%

Source: ONS 2011, AECOM Calculations

6.2.3 Specific housing types

161. The neighbourhood group considers that bungalows can play an important role in meeting the current and future needs of older people and people with accessibility needs.

162. As the ONS Census data does not capture bungalows as a distinct type, we have used Valuation Office Agency data to investigate their presence in Redruth. The result is presented in Table 6-2 below. The data shows that Redruth has a similar proportion of bungalows compared to Cornwall. They account for one fifth of all homes in the area. The most prevalent size in Redruth is two-bedroom bungalows. Redruth has lower proportions of all other sizes of bungalow compared to Cornwall. The data suggests that overall Redruth has a similar proportion of bungalows when compared to Cornwall as a whole.

Table 6-2: Number of bungalows by property size, 2018

	Redruth (numbers)	Redruth (%)	Cornwall (numbers)	Cornwall (%)
1 bedroom	80	5.5%	4760	8.4%
2 bedrooms	700	48.3%	22090	39.0%
3 bedrooms	600	41.4%	24810	43.8%
4 bedrooms +	70	4.8%	4870	8.6%
Unknown	0	0.0%	60	0.1%
Total	1450	20.6%	56590	21.0%
Total properties	7030	100%	269990	100%

Source: Valuation Office Agency, Council tax: stock of properties, 2018, Table CTSOP3.1

⁴³ Ibid.

6.2.4 Dwelling size

163. Table 6-3 below sets out the distribution of the number of rooms by household space. The housing stock in Redruth is characterised by a greater proportion of smaller properties when compared to Cornwall. The proportion of small dwellings (1-4 rooms) in Redruth is 38.7% compared to the much lower figure of 29.1% in Cornwall. The proportion of larger dwellings (5-7 rooms) in Redruth is 52.2% compared to the higher figure of 56.0% in Cornwall. This trend continues for very large dwellings (8+ rooms), Redruth has a proportion of 9.1% very large dwellings compared to 14.8% found in Cornwall. Five room dwellings have the greatest share of any other sized dwelling in Redruth, in line with Cornwall.

Table 6-3: Number of rooms per household in Redruth, 2011

Number of Rooms	2011	2011
	Redruth	Cornwall
1 Room	0.8%	0.5%
2 Rooms	3.5%	2.3%
3 Rooms	10.9%	7.7%
4 Rooms	23.5%	18.6%
5 Rooms	25.2%	25.0%
6 Rooms	18.1%	19.5%
7 Rooms	8.9%	11.5%
8 Rooms or more	4.9%	7.5%
9 Rooms or more	4.2%	7.3%

Source: ONS 2011, AECOM Calculations

164. It is also relevant to consider how the number of rooms occupied by dwellings changed between the 2001 and 2011 Censuses. Since 2001 the number of dwellings of all sizes increased in Redruth, except for one-room dwellings which experienced a sharp decline in line with Cornish trends. Two-room dwellings experienced the greatest growth since 2001, at a rate significantly higher than the increase experienced at the local and national levels. This is followed by three, four and five-room dwellings which also experienced higher rates of growth when compared to local and national levels. Larger dwellings (six, seven, eight-rooms or more) experienced a lower rate of growth compared to the growth at local and national levels.

Table 6-4: Rates of change in number of rooms per household in Redruth, 2001-2011

Number of Rooms	Redruth	Cornwall	England
1 Room	-37.5%	-30.0%	-5.2%
2 Rooms	103.8%	24.9%	24.2%
3 Rooms	42.2%	17.4%	20.4%
4 Rooms	7.7%	-1.0%	3.5%
5 Rooms	10.2%	0.7%	-1.8%
6 Rooms	0.2%	5.2%	2.1%
7 Rooms	11.8%	17.3%	17.9%
8 Rooms or more	20.0%	22.3%	29.8%

Source: ONS 2001-2011, AECOM Calculations

165. It is also useful to compare the figures for number of rooms with figures for the number of bedrooms for each dwelling. Table 6-5 overleaf summarises the proportion of dwellings occupying each size of home in terms of the number of bedrooms. This data shows that three-bedroom dwellings are the most popular house size in Redruth, in line with the findings at the local and nation levels. Smaller one and two-bedroom properties are more common in Redruth compared

to Cornwall. Reflecting this, larger properties with four, five or more bedrooms are comparatively more common in Cornwall.

Table 6-5: Number of bedrooms in household spaces in Redruth, 2011

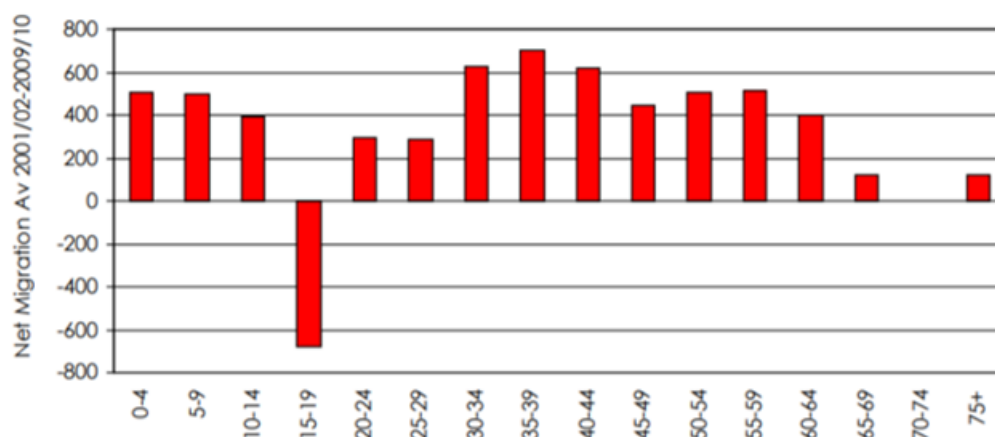
Bedrooms	Redruth		Cornwall		England	
All categories: no. of bedrooms	6,091	100.0%	230,389	100.0%	22,063,368	100.0%
No. bedrooms	10	0.2%	351	0.2%	54,938	0.2%
1 bedroom	792	13.0%	20,752	9.0%	2,593,893	11.8%
2 bedrooms	2,143	35.2%	67,553	29.3%	6,145,083	27.9%
3 bedrooms	2,449	40.2%	95,823	41.6%	9,088,213	41.2%
4 bedrooms	551	9.0%	34,468	15.0%	3,166,531	14.4%
5 or more bedrooms	146	2.4%	11,442	5.0%	1,014,710	4.6%

Source: ONS 2011, AECOM Calculations

6.3 SHMNA findings

166. The SHMNA highlights (see Figure 6-1) a significant inflow of people aged between 30 and 64 (working age) who also serve to create an inflow of children. With the exception of the age group 15 – 19 Cornwall’s inflow of migrants span most age groups. The flow out of those aged 15 – 19 reflects a movement of student aged populations to larger further and higher education establishments. This highlights the dynamic nature of the Cornwall population with regards the flow of people choosing to live in the area.

Figure 6-1 Cornwall Age-group net flows



Source: Edge Analytics, 2013

167. This suggests in order to maintain a level of working age population to match employment opportunities there will be a sustained need for family housing within Cornwall. Cornwall is projected to have a comparatively strong level of population growth with the assumption being that recent trends of high levels of in-migration are sustained.

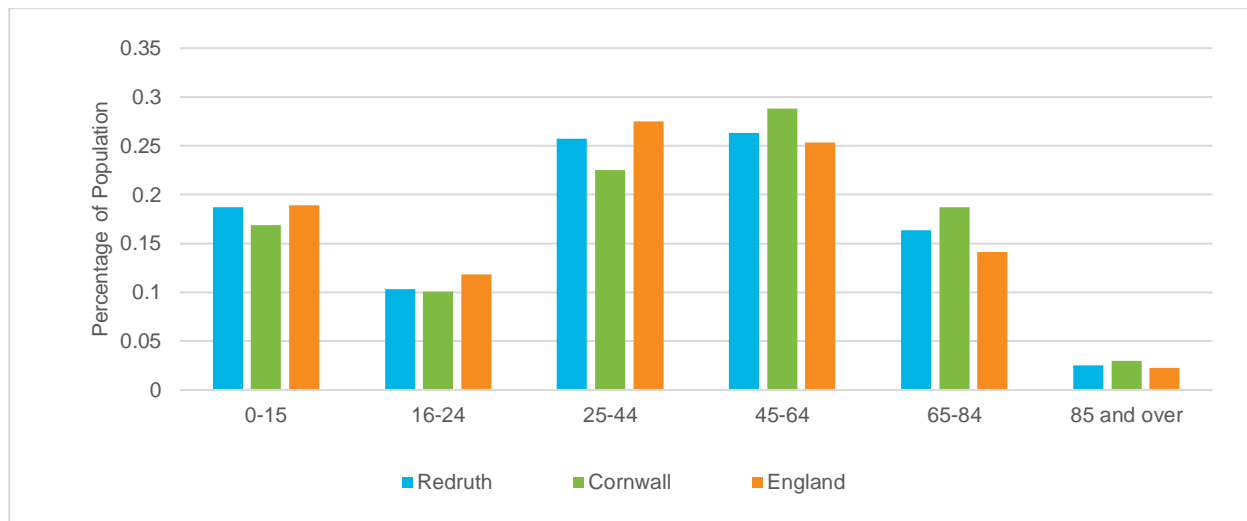
6.4 Household composition and age structure

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

6.4.1 Age structure

169. The 2011 Census data reveals that Redruth has a relatively younger population when compared to the Cornwall. The 45-64 age band is the largest single age group in Redruth, followed closely by the 25-44 age group. Redruth has greater proportions in the 0-15, 16-24 and 25-44 age bands compared to Cornwall and lower proportions in the remaining older age bands (see Figure 6-2 below).

Figure 6-2: Age structure in Redruth, 2011



Source: ONS 2011, AECOM Calculations

170. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001, Redruth’s population has experienced growth in all age groups, contrasting the trends in Cornwall which experienced a decline in the 0-15 and 25-44 age groups. Redruth has experienced the largest rate of growth in the proportion of residents aged 85 and over (see Table 6-6 below) and also in the 16-24 age group. The growth in the 16-24 age group could be due to students or young working people who have been unable to afford to start their own households and are increasingly electing to live in their family home for longer.

Table 6-6: Rate of change in the age structure of Redruth population, 2001-2011

Age group	Redruth	Cornwall	England
0-15	8.2%	-2.5%	1.2%
16-24	25.0%	19.5%	17.2%
25-44	7.8%	-2.5%	1.4%
45-64	15.1%	10.7%	15.2%
65-84	17.0%	14.1%	9.1%
85 and over	39.6%	20.2%	23.7%

Source: ONS 2001-2011, AECOM Calculations

6.4.2 Household composition

171. Household composition is a critical factor in driving the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.

172. In assessing Census data on household composition, we see that Redruth differs from the LPA in that there are more one-person households. When we look at one-person households aged 65 and over we see there is a lower proportion of these households in Redruth compared to Cornwall. This echoes the earlier finding that the NA has a lower proportion of older people. Looking at one family households, we can see the proportion of those aged 65 and over is once again lower in Redruth compared to Cornwall. The proportion of households with dependent children is higher in Redruth, once again mirroring Redruth’s younger population (Table 6-7 overleaf).

Table 6-7: Household composition (by household), Redruth, 2011

Household composition		Redruth	Cornwall	England
One person household	Total	32.1%	30.1%	30.2%
	Aged 65 and over	13.8%	14.8%	12.4%
	Other	18.4%	15.2%	17.9%
One family only	Total	61.8%	63.6%	61.8%
	All aged 65 and over	8.3%	10.8%	8.1%
	With no children	19.2%	20.4%	17.6%
	With dependent children	25.6%	23.5%	26.5%
	All children Non-Dependent	8.8%	8.9%	9.6%
Other household types	Total	6.0%	6.3%	8.0%

Source: ONS 2011, AECOM Calculations

173. Again, it is relevant to consider rates of change in this indicator during the period between Censuses. Between 2001 and 2011, the proportion of one person households in Redruth increased at a greater rate compared to local and nation levels. Within this category the proportion of those aged 65 and over actually declined in Redruth, a decline in this age group was also experienced at local and nation level. (see Table 6-8).
174. The proportion of one family households grew in Redruth as compared to Cornwall and wider England, with the largest increase being in those with no children. That said, the proportion of households with dependent children in Redruth grew by 10.7%, this is significantly higher than the 0.7% growth shown in Cornwall.

Table 6-8: Rates of change in household composition, Redruth, 2001-2011

Household type		Percentage change, 2001-2011		
		Redruth	Cornwall	England
One person household	Total	10.7%	7.3%	8.4%
	Aged 65 and over	-5.6%	-3.1%	-7.3%
	Other	27.3%	19.9%	22.7%
One family only	Total	12.4%	6.2%	5.4%
	All aged 65 and over	1.6%	1.0%	-2.0%
	With no children	20.2%	11.9%	7.1%
	With dependent children	10.7%	0.7%	5.0%
	All children non-dependent ⁴⁴	12.6%	16.5%	10.6%
Other household types	Total	21.9%	18.8%	28.9%

Source: ONS 2001-2011, AECOM Calculations

6.5 Dwelling mix determined by life-stage modelling

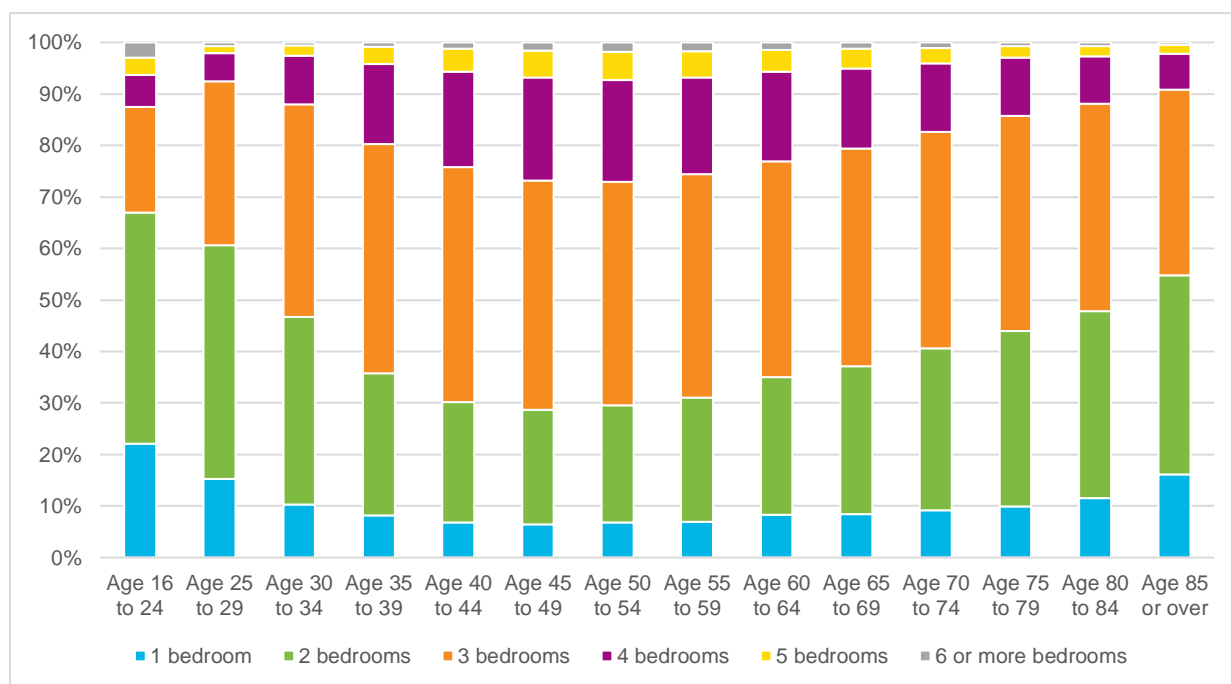
175. Recognising the fact that households of different ages have different housing needs, to estimate the housing mix needed by the end of the Plan period we adopt an approach based on the reasonable assumption that current occupation patterns – that is, the propensity of households of different ages to occupy different types of accommodation – will persist into the future. For example, projected growth in single person households aged over 65 will lead to an increase in the need for the type of housing currently occupied by single person households of that age.

⁴⁴ Refers to households containing children who are older than 18 e.g students or young working people living at home.

176. However, no data on housing size occupation by age of the Household Reference Person (HRP- a more modern term for 'head of household') is available at neighbourhood level. For this reason, LPA-level data needs to be used as the closest proxy.

177. Figure 6-3 below sets out the relationship in the 2011 Census at LPA level between the age of the HRP and the size of dwelling occupied. This provides the starting point for determining the most appropriate dwelling size mix by the end of the Neighbourhood Plan period. The data shows that smaller one- and two-bedroom properties are more popular amongst households where the HRP is between 16 and 29. Larger properties get more popular than smaller properties as we move into the 30 and beyond age group. In households where the HRP is aged 50 and over, smaller one and two-bedroom properties become progressively more popular, with age although there is still a significantly high level of households in this age group occupying larger properties of three bedrooms or more. It is only when we get to the 85 and over age group where the proportion of those living in smaller one and two-bedroom properties is greater than those living in larger properties. This may indicate a lack of opportunity and/or reluctance to down or 'rightsize'.

Figure 6-3: Age of household reference person by dwelling size in Cornwall, 2011



Source: ONS 2011, AECOM Calculations

178. We then use household projections provided by MHCLG to achieve an understanding of the future distribution of households by the age of the HRP. Again, this data is only available at the LPA level and for the years 2014 and 2039. Therefore, we have estimated what the distribution of households by the age of the HRP would be in 2030, i.e. the end of the Neighbourhood Plan period (red in the table). The data is presented in Table 6-9 below.

Table 6-9: Projected distribution of households by age of HRP, Cornwall

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	6,080	22,862	80,517	45,839	75,091
2014	6,000	24,000	79,000	43,000	86,000
2030	6,640	24,000	81,560	43,640	114,160
2039	7,000	24,000	83,000	44,000	130,000

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

179. At this point, it is then necessary to extrapolate from this LPA-level data an estimate of the corresponding change in the age structure of the population in Redruth. To do so, the percentage of increase expected for each group across Cornwall, derived from the data presented above was mapped to the population of Redruth. The results of this calculation are detailed overleaf in Table 6-10.

Table 6-10: Projected distribution of households by age of HRP, Redruth

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	225	836	2,242	1,092	1,696
2014	222	878	2,200	1,024	1,942
2030	246	878	2,271	1,040	2,578

Source: AECOM Calculations

180. Then, to complement the two stages above, in Table 6-11 below we set out the distribution of dwellings of different sizes according to the age of the HRP as they appeared in Census 2011. This provides the basis for a modelled estimate of the proportion of dwelling sizes that will be occupied by each age band across Cornwall by the end of the plan period.

Table 6-11: Age of household reference person to size, grouped, Cornwall, Census 2011

Size	Age of HRP 24	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
1 bedroom	22.1%	12.5%	6.9%	7.7%	10.5%
2 bedrooms	44.8%	40.2%	23.7%	25.5%	33.1%
3 bedrooms	20.5%	37.2%	44.4%	42.6%	40.9%
4 bedrooms	6.3%	7.7%	18.7%	18.0%	11.9%
5+ bedrooms	6.3%	2.4%	6.1%	6.2%	3.6%

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

181. Finally, having established the preference shown by households at different life-stages towards dwellings of different sizes, and the approximate number of households in Cornwall and Redruth falling into each of these stages by the end of the Plan period in 2030, it is now possible to recommend how the housing stock could evolve in terms of size over the Neighbourhood Plan period to overcome existing or future misalignments between the supply of dwellings and demand (see Table 6-12 below).

Table 6-12: Ideal dwelling size distribution in Redruth by the end of the Plan period, based on modelled household life-stages

Size	Age of HRP 16 to 24	Age of HRP under 35	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over	Total households requiring dwelling sizes
Pop. 7012	246	878	2,271	1,040	2,578	-
1 bedroom	54	109	158	80	270	672
2 bedrooms	110	353	539	265	853	2,120
3 bedrooms	50	327	1,009	443	1,054	2,883
4 bedrooms	15	68	426	187	307	1,004
5+ bedrooms	16	21	139	65	94	334

Source: Census 2011, AECOM Calculations

182. It is now possible to compare the 2011 housing mix in terms of size with the projected requirement based on the estimates set out in Table 6-12 above modelling the change in the age structure of the population in Redruth.
183. Table 6-13 overleaf indicates that, by 2030, the size distribution of dwellings should be weighted more towards the middle end of the size spectrum, with a particular focus on two and three bedroom dwellings.

Table 6-13: 2011 housing sizes compared to ideal distribution at end of Plan period, Redruth

Number of bedrooms	2011		2030	
1 bedroom	792	13.0%	672	9.6%
2 bedrooms	2,143	35.2%	2,120	30.2%
3 bedrooms	2,449	40.2%	2,883	41.1%
4 bedrooms	551	9.0%	1,004	14.3%
5 or more bedrooms	146	2.4%	334	4.8%
Total households	6,091	100.0%	7,012	100.0%

Source: Census 2011, AECOM Calculations

184. Table 6-14 below sets out the estimated misalignment between future demand for housing, based on the modelled preferences of households at different life-stages, and the current stock available in the Neighbourhood Plan area.

Table 6-14: Future potential misalignments of supply and demand for housing, Redruth

Number of bedrooms	2011	2030	Change to housing mix	Recommended split
1 bedroom	792	672	-120	0.0%
2 bedrooms	2,143	2,120	-23	0.0%
3 bedrooms	2,449	2,883	434	40.4%
4 bedrooms	551	1,004	453	42.1%
5 or more bedrooms	146	334	188	17.5%

Source: AECOM Calculations

185. The result of the life-stage modelling exercise, therefore, is that to accommodate households in the future, in the same way they are housed today, would imply expanding the supply of larger (3 bed plus) properties in Redruth. It must be noted that Table 6-14 covers both market and affordable sectors and because of the size of the owner occupied sector compared to other tenures, the needs of households in this tenure dominate the results and may mask more specific needs in the affordable (or even private) rented tenures.

186. Note that the changes to the housing mix given above for one- and two-bedroom dwellings are negative numbers. Because in light of the national and local housing shortage, it is rarely advisable or practicable to remove dwellings from the available stock, as would otherwise be suggested here for dwellings with three or more bedrooms, we have instead set the recommended split at 0% rather than a negative number, and rebalanced the other sizes as percentages of the additional dwellings they represent in total. Nevertheless, the results of the life-stage modelling suggest that there will be no need for further one- and two-bedroom dwellings over the Neighbourhood Plan period. This contradicts previous findings which established that the Redruth's population is both ageing and experiencing affordability challenges, which would imply the need for some smaller dwellings .

187. To help explain this, Table 6-5 shows that Redruth has an unusually low proportion of large dwellings (less than half the proportion for some sizes) compared to Cornwall and England. The change to housing mix calculated above in Table 6-14 is heavily impacted by this unusual baseline. Secondly, the modelling uses district-level occupation patterns, however Cornwall is again unusual compared to the national average – with even bigger homes. This means that we are adjusting a current stock of particularly small dwellings using a dataset weighted in favour of large ones. The message to take from the analysis is that there may be a need to expand the stock of larger homes in the NA to offer a better choice households.

6.5.1 Adjustment of model results

188. It is important to caveat the result of this model, because it is based on past trends and existing supply. Future supply, not just demographic profile, can influence occupancy patterns. For instance, it may be that the construction of attractive smaller homes would encourage older people to downsize, but in the absence of such accommodation, these older households will remain in their larger properties. For this reason, we verify the results further with respect to occupancy trends at the national level. This would give the following split (Table 6-15 overleaf).

Table 6-15: Nationally-adjusted future potential misalignments of supply and demand for housing, Redruth

Number of bedrooms	2011	2030	Change to housing mix	Recommended split
1 bedroom	792	845	53	4.8%
2 bedrooms	2,143	1,969	-174	0.0%
3 bedrooms	2,449	2,923	474	42.9%
4 or more bedrooms	551	972	421	38.1%
5 bedrooms or more	146	303	157	14.2%

Source: AECOM Calculations

189. A direct comparison between the two recommended splits above (based first on District occupation patterns and second on national occupation patterns) is given in Table 6-16 below.

Table 6-16 District-based and nationally-adjusted recommended housing size mixes compared, Redruth

Number of bedrooms	District-based mix	Nationally-adjusted figure
1 bedroom	0.0%	4.8%
2 bedrooms	0.0%	0.0%
3 bedrooms	40.4%	42.9%
4 bedrooms	42.1%	38.1%
5 bedrooms or more	17.5%	14.2%

Source: AECOM Calculations

190. The nationally adjusted figure produces a dwelling mix that is more balanced and less weighted towards larger dwellings compared to the district figure. However, the national figure still overlooks two-bedroom dwellings, conflicting the need for smaller affordable dwelling. Whereas actually increasing the stock of smaller dwellings in Redruth may permit older households in larger dwellings to downsize and has the additional benefit of allowing newly forming households to access housing through smaller and more affordable dwellings.

6.6 Conclusions- Type and Size

191. Redruth is characterised by a significantly higher proportion of terraced dwellings and a significantly lower proportion of detached dwellings when compared to Cornwall. Redruth also has higher proportions of semi-detached dwelling and flats. Redruth appears to have a similar proportion of bungalows when compared to Cornwall at around one fifth of the stock.

192. Redruth is characterised by a greater proportion of smaller properties when compared to Cornwall. The proportion of small dwellings (1-4 rooms) in Redruth is 38.7% compared to the much lower figure of 29.1% in Cornwall. The proportion of larger dwellings (5-7 rooms) in Redruth is 52.2% compared to the higher figure of 56.0% in Cornwall. This trend continues for very large dwellings (8+ rooms), with a proportion of 9.1% of the total stock compared to 14.8% found in Cornwall.

193. During the intercensal period the number of households of all sizes increased in Redruth, except for one-room dwellings which experienced a decline. Two-room dwellings experienced the greatest growth, at a rate significantly higher than the increase experienced at the local and national levels. This is followed by three, four and five-room dwellings which also experienced higher rates of growth when compared to local and national levels. Larger dwellings (six, seven, eight-rooms or more) experienced a lower rate of growth compared to the growth at local and national levels.

194. Looking at size in terms of the number of bedrooms, data shows that three-bedroom dwellings are the most prevalent house size in Redruth, in line with the findings at the local and national levels. Smaller one and two-bedroom properties are more common in Redruth compared to Cornwall. Reflecting this, larger properties with four, five or more bedrooms are comparatively more common in Cornwall.

195. Redruth has a relatively younger population when compared to the Cornwall. The 45-64 age band is the largest single age group in Redruth, followed closely by the 25-44 age group. Redruth has greater proportions in the 0-15, 16-24 and 25-44 age bands compared to Cornwall and lower proportions in the remaining older age bands.
196. In terms of the changing age structure of the Neighbourhood Plan area population, Census data shows that since 2001 Redruth's population has experienced growth in all age groups, contrasting the trends in Cornwall which experienced a decline in the 0-15 and 25-44 age groups. Redruth has experienced the largest rate of growth in the proportion of residents aged 85 and over.
197. Redruth differs from the LPA in that there are more one-person households, however a lower proportion of these one-person households are aged 65, reflecting the finding that the NA has a lower proportion of older people. The proportion of households with dependent children is higher in Redruth, once again mirroring Redruth's younger population.
198. During the intercensal period the proportion of one-person households in Redruth increased at a greater rate compared to local and nation levels. Within this category the proportion of those aged 65 and over actually declined in Redruth, a decline in this age group was also experienced at local and nation level.
199. The results of the life-stage modelling suggest that there is a need to expand the stock of larger (3 bed plus) properties in Redruth. However, it is important to caveat the result of model, because it is based on past trends and existing supply and covers all tenures (while in reality, needs may be different in the market and affordable sectors).
200. The results presented in this chapter challenge the preceding analysis of affordability and must therefore be viewed in the context of the affordability issues we have drawn attention to in the previous chapter. Given that Redruth's current dwelling stock is made up of smaller dwellings compared with the Cornwall, and that the town's projected population is likely to wish to inhabit larger dwellings, it is logical that the recommended dwelling mix at the end of the Plan period is skewed towards the provision of three- and four-bedroom homes. However, this conclusion must be reconciled with earlier findings which have established the need for affordable homes and housing for older people which may require the provision of some smaller dwellings.
201. We therefore recommend that a broad mix of housing is provided, including all sizes of dwellings. The focus could be on larger dwellings (especially affordable larger homes), however, it's recommended that one- and two-bedroom dwellings also continue to be delivered in Redruth to permit older households in larger dwellings to downsize, allowing newly forming households to access housing through smaller and more affordable dwellings.

7. RQ 4: Specialist housing for older and disabled people

RQ 4: What provision should be made for specialist housing for older people and disabled people over the Neighbourhood Plan period?

7.1 Introduction

202. This chapter considers in detail the specialist housing needs for both older and disabled people in Redruth. It is important to note that there will understandably be a significant and unspecifiable degree of overlap between the needs of disabled people and the needs of older people – who represent the largest constituent group of the disabled with mobility impairments.
203. Specialist housing for older people is appropriate to consider for the population aged 75+. The needs of this sector of the population are assessed through two methods. The first is a tenure-led projection, based on the tenure of dwellings typically occupied by people in this age group. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network's (HLIN) Strategic Housing for Older People (SHOP) tool⁴⁵, which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.
204. The neighbourhood planning group is keen to ensure that there is an adequate supply of suitable dwellings provided to meet the needs of disabled people in the Neighbourhood Plan area. As such, it is appropriate to understand the specific dwelling tenures and types that could be provided to ensure that the Neighbourhood Plan area retains or provides housing that is suitable for disabled people.

7.2 Housing for older people - context

205. MHCLG's guidance on housing for older and disabled people states that the need to provide housing for older people is critical. People are living longer lives and the proportion of older people in the population is increasing. In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million.
206. Almost a third of UK homes are occupied by the 55+ age group, yet only 7% of UK stock is currently recognised as meeting minimum accessibility standards, which means few older people can find options that will improve their quality of life. This is reflected in evidence that just 3.4% of 50+ households move home each year, which is half as many moves as rest of population. Perhaps surprisingly, just under half of moves result in fewer habitable rooms, leading some commentators to suggest that social status can be a driving factor in deciding to move to a home with significantly fewer rooms.⁴⁶
207. The concept of 'rightsizing' (formally referred to as downsizing) recognizes that the situations, desires and needs of the older population are no less diverse than their family circumstances. The actual choices available to older people, however, are limited to the housing provisions that are both available and accessible to them. Not surprisingly the vast majority of older people currently tend to age in place until circumstances mean their home environment becomes a decisive barrier to their well-being. Research indicates that very few properties are designed to support ageing in place (see below). Thus whilst many people do not wish to move home, there is also evidence that there is large scale unmet demand to move⁴⁷ and most older people are stuck in a 'rightsizing gap'.⁴⁸
208. A Demos survey of over 60s conducted in 2013 found a "considerable appetite" amongst this age group to move to a new property, with one quarter of all those surveyed suggesting they would be interested in buying a specialist property, and one quarter considering renting a specialist home.⁴⁹
209. Indeed, 76% of those in homes of three or more bedrooms wished to rightsize, and this increased to 99% of those in homes of five or more bedrooms, with two bedrooms the preferred choice for both.⁵⁰ However, in spite of evidence of high demand, currently only 5% of older person's housing is made up of specialist homes,⁵¹ with Demos suggesting

⁴⁵ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

⁴⁶ Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

⁴⁷ Pannell et al., 2012

⁴⁸ Rightsizing: Reframing the housing offer for older people, 2018, Phase and Manchester School of Architecture

⁴⁹ <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

⁵⁰ Ibid.

⁵¹ https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/for-future-living_Oct2014.pdf

that, “the chronic under-supply of appropriate housing for older people is the UK’s next housing crisis”,⁵² and local authorities are often, “accused of reluctance to approve development plans for specialist housing...out of fear of increased care costs”.⁵³ Indeed, whilst many of those surveyed may consider moving, the percentage that ultimately does is likely to be relatively low, and many who downsize may move into general needs housing, for example market sale bungalows.

210. Offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. Therefore, an understanding of how the ageing population in Redruth affects housing needs is something to be considered from the early stages of plan-making through to decision-taking.⁵⁴
211. Disabilities can include, but are not limited to, people with ambulatory difficulties, blindness, learning difficulties, autism and mental health needs, which may generate a range of housing requirements which can change over time. Unsuitable or unadopted housing can have a negative impact on disabled people and their carers. An ageing population will see the numbers of disabled people continuing to increase, and it is important to plan early to meet their needs throughout their lifetime.
212. Older people typically occupy a broad range of accommodation types and tenures depending on their individual needs, including both market housing and more specialist accommodation. The latest PPG⁵⁵ adopts the following planning approach:
- a. Where an identified need exists, plans are expected to make use of the optional technical housing standards (footnote 46 of the National Planning Policy Framework) to help bring forward an adequate supply of accessible housing. In doing so planning policies for housing can set out the proportion of new housing that will be delivered to the following standards:
 - b. M4(1) Category 1: Visitable dwellings (the minimum standard that applies where no planning condition is given unless a plan sets a higher minimum requirement)
 - c. M4(2) Category 2: Accessible and adaptable dwellings
 - d. M4(3) Category 3: Wheelchair user dwellings
213. In the case of Redruth, this HNA, together with any local housing survey conducted will form the evidence required to justify policies proposing the Category 2 or 3 standards above for both market, affordable, social and the two main types of specialist accommodation for older people include sheltered housing and extra care housing (see Appendix B for definitions).
214. In 2014, there were approximately 450,000 units of sheltered social rented and private sector retirement housing in England, with approximately one quarter of these in private sector and the rest provided at social rent levels.⁵⁶ This situation reflects the significant constraints on the delivery of such housing in the market sector, as well as the improved health of older people today in comparison with previous generations.
215. Local planning authorities can plan for senior co-housing communities through their implementation of the Self-build and custom-build legislation 2015⁵⁷, as some communities will be looking to build the development themselves. Local authorities can also identify sites suitable for senior co-housing communities are part of their overall assessment of land available for housing over the plan period.⁵⁸
216. Given that the vast majority of people over 75 live in their own homes, but that the current stock of specialist housing is primarily for social rent, AECOM has developed a ‘tenure-led’ approach to calculating the need for specialist housing. This also takes into account the health and mobility of population of the Neighbourhood Plan area so as to develop projections for future need for specialist housing provided with some level of care or other services.

⁵² <https://www.demos.co.uk/files/TopoftheLadder-web.pdf?1378922386>

⁵³ <http://researchbriefings.files.parliament.uk/documents/CBP-7423/CBP-7423.pdf>

⁵⁴ Available at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

⁵⁵ Housing for Older and disabled people, Guidance June 2019, MHCLG

⁵⁶ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/safe-at-home/rb_july14_housing_later_life_report.pdf

⁵⁷ <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

⁵⁸ See Paragraph: 011 Reference ID: 63-011-20190626 at <https://www.gov.uk/guidance/housing-for-older-and-disabled-people#identifying-the-housing-requirements-of-older-and-disabled-people>

7.3 Housing for older people - approach

217. In accordance with NPPF, guidance in this chapter applies a three stage process to determine the potential incidence of need for specialist housing for the elderly, based on tenures, projections of the future population of older people in the Neighbourhood Plan area, and Census data relating to mobility limitations and overall health. These are then compared with rates of provision that have been recommended by the Housing Learning and Improvement Network (HLIN), as well as with existing rates of provision across Cornwall.
218. Clearly, this calculation represents an assumption, with the actual decision for an older person to enter specialist housing highly dependent on individual circumstances. As already noted, the actual proportion of older people that can be considered in need of specialist housing is affected both by overall levels of health as well as by individual lifestyle choices, given that the vast majority of older people currently choose to continue to live in their homes into their old age.
219. The charity Age UK suggests that “inaccessible housing should not force anyone out of their home or local community against their wishes. It is much better to have ‘pull factors’ that attract older people towards housing alternatives.”⁵⁹ By understanding the tenure breakdown of specialist housing need, we are able to better understand the extent to which demand will be a factor in this market segment.

7.3.1 Current supply of specialist housing for older people

220. When determining a requirement for the need for specialist dwellings, it is necessary first to take account of current supply. There are a number of ways to do this. Data may be available within Cornwall’s housing evidence base. Alternatively, data may be collated manually on the amount of specialist housing within a given area using the search function on the Elderly Accommodation Councils Website: <http://www.housingcare.org>.
221. It is important to note that bed spaces in communal establishments such as live-in care homes are not included in the calculation below.⁶⁰ This is because for the purposes of the UK planning system, such institutions occupy a different land-use class from other housing (use class C2, which comprises residential institutions, versus C3, which comprises private dwellings)⁶¹. However, all other types of specialist housing for older people fall within use class C3 and, as such, are within the scope of this Housing Needs Assessment. Having said this, we will note the existing provision of such institutional accommodation where it exists in Redruth.
222. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Redruth, it identified 215 residents living in such accommodation, with 148 in care homes with nursing and 51 in care homes without nursing.⁶²
223. Given that communal establishments are generally outside the scope of housing needs assessments for the reasons described above, we need to discount those care homes from our analysis, and the remaining specialist housing for the elderly, which should be within use class C3 and thus within the scope of this assessment, is presented overleaf in Table 7-1. This gives a total of 190 bed spaces, for a 2011 population aged 75+ of 1,255. This suggests the actual rate of provision in Redruth is approximately **151** dwellings per 1000 population aged 75+.

⁵⁹ See <https://www.ageuk.org.uk/documents/EN-GB/Political/Age%20UK%20ID201813%20Housing%20Later%20Life%20Report%20-%20final.pdf?dtrk=true>

⁶⁰ Further details on the definition of different types of housing within the English planning system are available at <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

⁶¹ See Paragraph: 009 Reference ID: 13-009-20140306 at <https://www.gov.uk/guidance/when-is-permission-required>

⁶² ONS, 2011 (KS405EW)

Table 7-1: Existing specialist housing for the elderly (excluding care homes) in Redruth

	Name	Description	Bed spaces	Tenure	Type
1	Miners Court	Residents accepted from 55 years of age. 62no. one-bedroom apartments 2no. two-bedroom apartments	68	Rent (social landlord)	Extra care housing
2	Chyventon	Residents accepted from 55 years of age. 34no. one-bedroom 1no. two-bedroom	36	Rent (social landlord)	Retirement housing
3	Sparron Close	Residents accepted from 60 years of age 23no. one-bedroom apartments 1no two-bedroom apartment	25	Rent (social landlord)	Retirement housing
4	Strawberry Lane	Residents accepted from 60 years of age 13no. one-bedroom bungalows 5no. two-bedroom bungalows	23	Rent (social landlord)	Retirement housing
5	Pond Lane	Residents accepted from 60 years of age 11 one-bedroom apartments 23 one-bedroom bungalows 2 two-bedroom bungalows	38	Rent (social landlord)	Retirement housing

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

7.3.2 Tenure-led projections

224. Turning to determining the future need for specialist housing, the first step is to review data on the tenure of households currently aged 55-75 across Cornwall, as this is the smallest geography for which tenure by age bracket data is available, see table 7-2 below. We take this age cohort-based approach because it is these households which, over the next 20 years, will be reaching the age of 75+, which is considered the typical threshold age for specialist housing provision. We will then use the existing tenure split within this cohort to project forward the need for specialist housing according to different tenure.
225. The projection is based on the premise that those currently occupying their own home will also wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented accommodation of some kind.
226. According to Table 7-2 below, the majority of those in the 55-75 age bracket in Cornwall own their home, with over half the group owning their property outright. Renting is significantly less prevalent amongst this age bracket. Social renting is the most frequent tenure type amongst renters.

Table 7-2: Tenure of households aged 55-75 in Cornwall, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free ⁶³
80.4%	59.0%	21.4%	19.6%	9.8%	8.6%	1.2%

Source: *Census 2011*

227. The next step is to project how the overall number of older people in Redruth is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Cornwall at the end of the Plan period. The figure must be extrapolated from the LPA data because such projections are not available at neighbourhood level. The results are set out in Table 7-3 overleaf.
228. This calculation indicates that over the plan period the proportion of people within the 75+ group will increase at a greater rate in Redruth compared to Cornwall. However, by 2030 the overall proportion of people aged 75+ in Redruth will still be lower than the Cornwall average.

⁶³ Living rent free refers to households living in property owned by another party without paying rent.

Table 7-3: Modelled projection of the older population in Redruth by end of Plan period

Age group	2011		2030	
	Redruth (Census)	Cornwall (Census)	Redruth (AECOM Calculation)	Cornwall (ONS SNPP 2014)
All ages	14,018	532,273	15,957	605,893
75+	1,255	53,474	2,089	88,997
%	9.0%	10.0%	13.1%	14.7%

Source: ONS SNPP 2016, AECOM Calculations

229. The results of this exercise provide us with a projection of the number of people in Redruth living in each tenure in the 55-75 cohort by 2011, as shown in the table below. This projection is calculated by multiplying the projected number of people aged 75 and over by the end of the Plan period by the tenure split for Cornwall presented in Table 7-2 above, and is set out in Table 7-4 below.

230. A key assumption made here is that, for the purposes of determining the proportion of households aged 75+ falling into different tenures in 2030, and consequently the number of specialist units to be provided, the growth in the overall population of those aged 75 and over may be used.

231. This is justified on the basis that the proportion of people over the age of 75 living alone on account of, for example, the death of a partner, is higher than the average for the population as a whole.

Table 7-4: Projected tenure of people aged 75+ in Redruth to the end of the Plan period

Owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living rent free
1,680	1233	447	408	204	179	26

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

232. The population figures in Table 7-4 above now need to be translated into households, as set out in below. The translation factor used was 1.41 persons per household, which was the rate in Cornwall for people aged over 75 in the Census 2011. Table 7-5 below shows the overall projected household number for Redruth aged 75+ at 1,481 by the end of the plan period.

Table 7-5 Projected tenure by household aged 75+ in Redruth to the end of the Plan period

Owned	Owned Outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living rent free
1,191	876	318	290	145	127	18

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

233. Next, we consider the incidence of mobility limitations, as defined by the Census, within each tenure group for those aged 65+ in Redruth. This allows us to link the levels of need (as defined by extent of mobility limitations within the population) to tenure (based on the premise that such needs can be used as a proxy for the need for specialist housing in this age group).

234. The tendency for people in rented housing to have higher dependency levels is well established. It arises partly because people with higher dependency levels tend to have lower incomes; they are therefore less able to afford to buy, even at earlier stages in their lives.

Table 7-6: Tenure and mobility limitations of those aged 65+ in Redruth, 2011

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories: Tenure	2,462	713	29.0%	675	27.4%	1,074	43.6%
Owned or shared ownership: Total	1,912	479	25.1%	520	27.2%	913	47.8%
Owned: Owned outright	1,665	413	24.8%	458	27.5%	794	47.7%
Owned: Owned with a mortgage or loan or shared ownership	247	66	26.7%	62	25.1%	119	48.2%
Rented or living rent free: Total	550	234	42.5%	155	28.2%	161	29.3%
Rented: Social rented	346	163	47.1%	103	29.8%	80	23.1%
Rented: Private rented or living rent free	204	71	34.8%	52	25.5%	81	39.7%

Source: DC3408EW Health status

- 235. If we focus on those whose activities are limited a lot, the calculations suggest that of the 234 renters and 479 owners in Redruth in this age group, there could be a need for approximately 299 specialist homes for owner occupiers (25.1% x 1191) and approximately 89 for renters of all kinds (42.5% x 209), or 388 new specialist homes in total.
- 236. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot could need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

Table 7-7: AECOM estimate of specialist housing need in Redruth by the end of the Plan period

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	423
	123	299	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	407
	82	325	
Total	205	624	829

Source: Census 2011, AECOM Calculations

- 237. The number of households falling into potential need for specialist accommodation is therefore 829, which is 40% of the 2,088 households in total aged 75 and above projected to live in Redruth by the end of the Plan period.

7.3.3 Housing LIN-recommended provision

238. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), an organization with specialist expertise in planning for the accommodation requirements of older people. In Table 7-8 below we reproduce the key table from their Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide, based on best practice research, to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures. It is important to note that the rates of provision in Table 7-8 are aspirational and have been developed in order to boost the provision of specialist housing beyond current levels.

Table 7-8: Recommended provision of specialist housing for older people from the SHOP toolkit

FORM OF PROVISION	ESTIMATE OF DEMAND PER THOUSAND OF THE RELEVANT 75+ POPULATION
Conventional sheltered housing to rent	60
Leasehold sheltered housing	120
Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) ⁶⁴	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: *Housing LIN SHOP Toolkit*

239. As we have seen in Table 7-3, Redruth is forecast to have an over-75 population of 2,089 by the end of the Plan period. According to the HLIN recommendations, this should mean there will be a total need as follows:

- Conventional sheltered housing to rent = 60 x (2.089) = 125
- Leasehold sheltered housing = 120 x (2.089) = 251
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale)⁶⁴ = 20 x (2.089) = 42
- Extra care housing for rent = 15 x (2.089) = 31
- Extra care housing for sale = 30 x (2.089) = 63
- Housing based provision for dementia⁶⁵ = 6 x (2.089) = 13

240. This produces an overall total of 524 specialist dwellings. Table 7-9 below sets out the HLIN recommendations in the same format as Table 7-7. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates. This means that the requirements expressed by the SHOP toolkit are higher than those implied by a straightforward projection based on the growth of the over 75 population.

Table 7-9: HLIN estimate of specialist housing need in Redruth by the end of the Plan period

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	149
	65	84	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	375
	125	250	
Total	190	334	524

Source: *Housing LIN, AECOM calculations*

⁶⁴ Defined as provision with some care needs.

⁶⁵ There isn't a clear definition from HLIN. An example might be individual housing units with a shared alarm system and support staff with less emphasis on physical help. It excludes people who have dementia and a) live in their own homes and receive visits and b) those who live in care homes (residential or nursing).

7.4 SHMNA findings

241. The SHMNA highlights a projection that also predicts a significant growth in the number of people aged 65+ in Cornwall by 2031. In particular the 85+ age group is expected to more than double in size from 2016 to 2031. The SHMNA also anticipates a large increase in the number of people aged 65+ who live alone, as well as an increase in the number of people aged 65+ who are living in a care home across Cornwall. The SHMNA concludes that these future demographic changes will have a profound impact upon housing need, with an increasing demand for accommodation for older people across all the SHMNA Local Authorities.

7.5 Conclusions- Specialist Housing for Older People

242. In comparing the outcomes of the tenure-led projections and the Housing LIN recommendations, it is important not to assume direct equivalence of the type of housing deemed suitable for those whose needs are limited 'a little' in Table 7-7 with 'sheltered housing' in Table 7-9. This is because there is a range of housing suitable for this group of the population, whereas the HLIN identifies only sheltered housing specifically. In practice, sheltered housing is often substitutable with mainstream housing where care and support can be provided, particularly if the property is accessible and adaptable.

243. It is useful to compare the 423 dwellings identified in the tenure-led approach for those who may require housing with care with the 524 specialist dwellings that emerge from the HLIN calculations. These estimates are of the same order of magnitude – the HLIN estimate boosted by the assumptions in this model which explicitly aim to expand the supply of specialist housing for older people.

244. For this reason, our recommendation would be to treat these figures as a range, with 524 specialist dwellings as an upper, more aspirational target, to be provided if other constraints allow. This could encourage more 'churn' in the local housing market with more larger homes coming back onto the market after many years, thereby contributing to the need for 4 bedroom and more dwellings identified earlier. Conversely, some of the need for specialist dwellings could be met in suitable mainstream housing, particularly accessible and adaptable dwellings and where local care and support packages are available.

245. As these estimates relate to the total number of specialist dwellings to be provided by the end of the Plan period, the final step is to deduct the current supply of specialist housing for older people in Redruth and thus to determine a net minimum requirement for provision over the Plan period, broken down by tenure.

246. To recap, there are 190 existing units of specialist housing for older people in Redruth, for a 2011 population of 1,255 people aged 75. This suggests the actual rate of provision in Redruth is approximately 151 dwellings per 1,000 population aged 75+. Referring to the minimum target produced by the Housing LIN-based calculation, this means there are an additional (i.e. net) 334 specialist units (524 – 190) that need to be provided over the Plan period.

247. Based on the tenure categories across current supply, the net additional supply required can be deducted by tenure category from the Housing LIN-recommended targets. Table 7-10 provides the final recommendation.

Table 7-10: Final recommendation for additional specialist housing provision by the end of the plan period

	Affordable	Market	Total
Extra care housing	65	84	149
Sheltered housing or adaptations	125 – 190 = 0	251	251
Total	65	355	400

Source: Housing LIN, <https://housingcare.org>, AECOM Calculations

248. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons:

- so that residents, who may no longer be driving, are able to access local services and facilities, such as shops and doctor's surgeries, on foot or mobility scooter or similar;
- so that any staff working there have the choice to access their workplace by more sustainable transport modes; and

- so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.

249. 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 housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a ‘hub-and-spoke’ model).

250. It is considered that Redruth is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Plan area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Redruth in other suitable locations near to but outside the plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the neighbourhood plan area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the plan area itself.

251. Wherever the specialist housing need is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people.

7.5.1 Housing for Disabled People- Context

252. Using Census data, it is possible to examine the current population with disabilities at various geographies and from various perspectives, and to model how that population will change in future. This presents a strong statistical basis with which to plan for the specialised housing needs of those with disabilities.

253. We refer to Census data on people with a long-term health problem or disability (LTHPD), which is defined as a health-problem or disability that limits that person’s day-to-day activities and has lasted or is expected to last at least 12 months. The data is broken down by whether the respondent’s activities are perceived to be limited ‘a lot’ or ‘a little’. Table 7-11 below shows the total number of residents in Redruth reporting an LTHPD, broken down by the degree of activity limitation, and compared with the wider geographies of Cornwall and England overall.

7.5.2 People with a LTHPD

254. Redruth has a higher proportion of people with a LTHPD compared to Cornwall, significantly higher than the proportion of people with a LTHPD at a national level. The proportion of people whose activities are limited a lot is higher in Redruth compared to the local level. This trend is reversed for those whose activities are limited a little, where Cornwall has a slightly higher proportion.

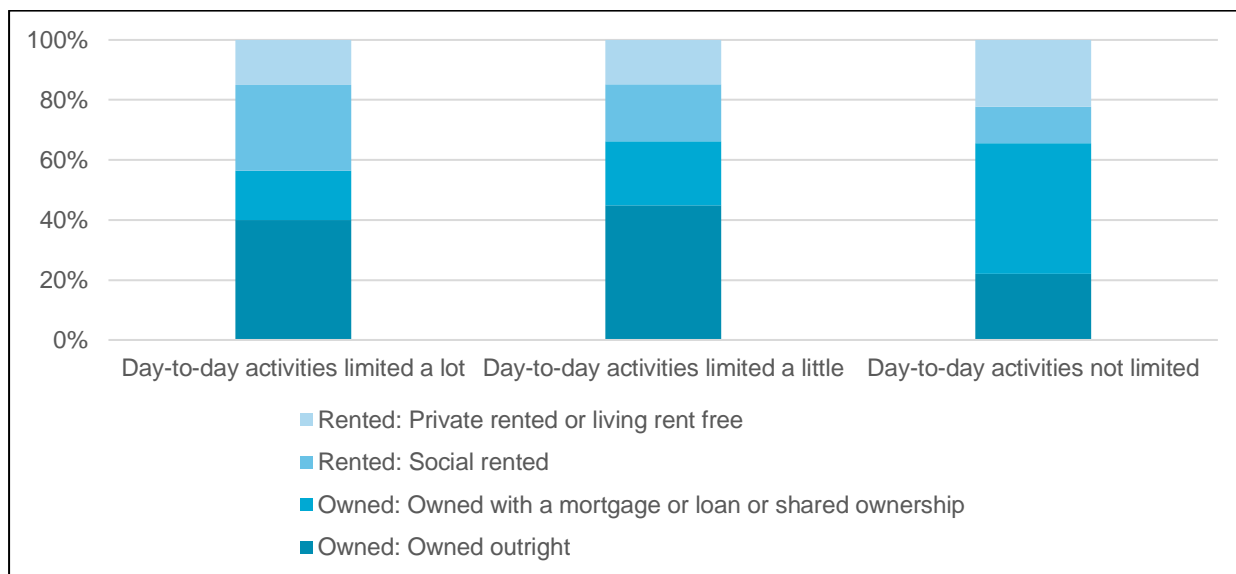
Table 7-11: Current population with LTHPD at various geographies

	Redruth		Cornwall		England	
	Total	Percentage	Total	Percentage	Total	Percentage
All usual residents	14,018	-	532,273	-	53,012,456	-
Total with a LTHPD	3,141	22.4%	113,715	21.4%	9,352,586	17.6%
Day-to-day activities limited a lot	1,596	11.4%	53,166	10.0%	4,405,394	8.3%
Day-to-day activities limited a little	1,545	11.0%	60,549	11.4%	4,947,192	9.3%

Source: 2011 Census

255. Next, we look at the prevalence of long-term disability among different tenure groupings. Figure 7-1 overleaf shows the tenure mix occupied by people with LTHPDs in Redruth, as well as those without a LTHPD (‘day-to-day activities not limited’). The data shows that home ownership is the most common tenure across people of all levels of ability. Homeowners with a LTHPD are more likely to outrightly own their property compared to homeowners whose activities are not limited who are more likely to have a mortgage, loan or shared ownership agreement. Interesting, a noteworthy proportion of those whose activities limited a lot have a mortgage, suggesting they are not retired. Social renting is more common for those with a LTHPD compared to private renting. In particular, those whose activities are limited a lot are more likely to have a social rent tenure.

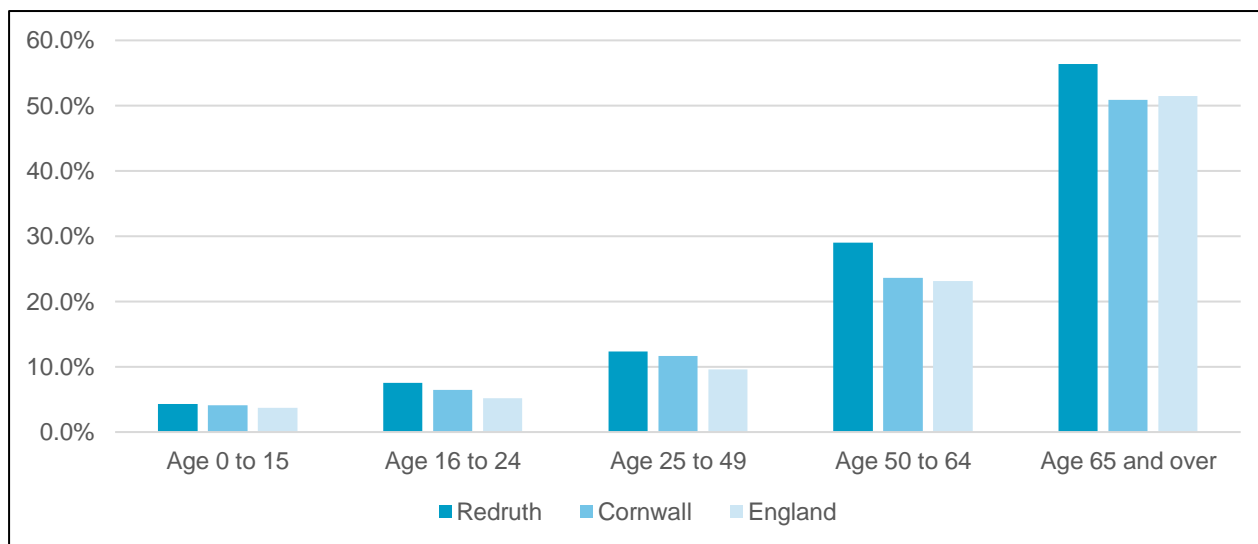
Figure 7-1: Tenure of people with LTHPD, Redruth



Source: 2011 Census

256. We next consider the prevalence of long-term disability and mobility by age group. Figure 7-2 below shows that the incidence of long-term disability and age are strongly correlated – and therefore the large degree of specialised housing need that is implied in this section also applies to the section on housing for older people dealt with above.
257. However, Redruth has higher incidences of long-term disability in all age groups compared to local and national levels. Unsurprisingly the 65 and over age group has the highest occurrence of long-term disability across all geographies. The 65 and over age group also displays the greatest deviation between the neighbourhood and local levels. The number of people aged 65 and over in Redruth with LTHPD is proportionally 5.6% greater than that found in Cornwall, this is followed closely by 50 to 64 age group which has a difference of 5.4%.

Figure 7-2: Incidence of LTHPD by age group at various geographies



Source: 2011 Census

258. We now apply the prevalence of long-term disabilities by age group to the projected population of Cornwall by age group at the end of the Plan period (see Table 7-12 below).

Table 7-12: Population of Cornwall with a disability, 2030

Age bracket	Total population	% of whom have LTHPD	Population with LTHPD
Age 0 to 15	98,999	4.1%	4,059
Age 16 to 24	61,036	6.4%	3,906
Age 25 to 49	152,215	11.7%	17,809
Age 50 to 64	119,775	23.6%	28,267
Age 65 and over	173,867	50.8%	88,324
Total	605,893		142,365

Source: 2011 Census, ONS 2016-based projections, AECOM calculations

259. This can now be compared with the current population (2011 Census) with LTHPD (Table 7-13 below). The total increase of 30.9% is not unexpected, driven largely by growth in the older population. We can see the number of those disabled in the 65 and over age group is expected to experience the greatest change by 2030, increasing by 56.4%. All other age groups are likely to see a more modest increase in people with LTHPD, except for the 25 to 49 age group where a decline in LTHPD is expected. Despite this, the overall increase may require a potential uplift in specialist housing for people with disabilities that should be planned for in the context of the overall increase in housing provision afforded by the NDP.

Table 7-13: Change in population with LTHPD in Cornwall by end of the plan period

	2011	2030	% Change
Age 0 to 15	3,642	4,059	11.5%
Age 16 to 24	3,303	3,906	18.3%
Age 25 to 49	18,352	17,809	-3.0%
Age 50 to 64	26,974	28,267	4.8%
Age 65 and over	56,473	88,324	56.4%
Total	108,744	142,365	30.9%

Source: 2011 Census, ONS 2016-based projections, AECOM calculations

260. Within Redruth, the population with a LTHPD represents 2.76% of the Cornwall population with a LTHPD. As such, this percentage is applied to the forecasted increase of people with a LTHPD to identify increases at the neighbourhood level.

Table 7-14: Increase in population with LTHPD in Redruth by end of the plan period

	Population with LTHPD in Cornwall	Population with LTHPD in Redruth
Age 0 to 15	4,059	112
Age 16 to 24	3,906	108
Age 25 to 49	17,809	492
Age 50 to 64	28,267	780
Age 65 and over	88,324	2,438
Total	142,365	3,929

Source: 2011 Census, ONA 2016-based projections, AECOM calculations

7.5.3 DLA Claimants

261. Another measure which can be used to indicate the scale of disability within the population is the number and proportion of Disability Living Allowance (DLA) claimants. DLA is a non-contributory, non means-tested and tax-free contribution towards the disability-related extra costs of severely disabled people who claim help with those costs before the age of 65. DLA therefore provides an indication of the number of people in younger, working age groups who are disabled and

who have personal care needs, mobility needs or both.

262. Recording the proportion of DLA claimants can therefore be helpful in determining the exact proportion of the disabled population in Redruth relative to the Cornwall and England proportions. In order to determine the proportion of the population who are DLA claimants, data for the population as a whole from the 2011 Census needs to be gathered. However, as the number or proportion of DLA claimants was not recorded in the Census, the number of claimants from May 2011, i.e. the closest point to the Census for which data is available, needs to be cross-referenced with the Census data. The results are presented in Table 7-15 below.

Table 7-15: Proportion of Disability Living Allowance Claimants in Redruth, 2011

	Total population (Census 2011)	DLA claimants (May 2011)	Approximate proportion of DLA claimants (April/May 2011) (%)
Redruth	14,018	1,110	7.92%
Cornwall	532,273	31,240	5.87%
England	53,012,456	2,635,110	4.97%

Source: Census 2011, Nomis (Benefit Claimants - Disability Living Allowance for Small Areas), AECOM Calculations

263. Table 7-15 shows that the proportion of those claiming DLA is also higher in Redruth compared to that recorded in Cornwall and England. This aligns with the earlier finding that showed the proportion of people with LTHPD in Redruth is higher than local and national levels.

7.6 SHMA findings

264. The SHMNA highlights projections which suggest a considerable increase in the number of individuals with special and/or specific needs. The SHMNA concludes that the overall capacity of suitable stock will need to continue to grow in Cornwall in order to meet needs and this will require careful consideration at a strategic level.

7.7 Conclusions - Housing for Disabled People

265. Census data shows that Redruth has a higher proportion of people with an LTHPD compared to local and national level. This aligns with data that shows the proportion of those claiming DLA is higher in Redruth compared to that recorded in Cornwall and England.

266. Home ownership remains the most common tenure across people of all levels of ability. Homeowners with a limiting LTHPD are more likely to outrightly own their property compared to homeowners whose activities are not limited who are more likely to have a mortgage, loan or shared ownership agreement. Social renting is more common for those with an LTHPD compared to private renting. In particular, those whose activities are limited a lot are more likely to have a social rent tenure.

267. Whilst long-term disability and increasing age are strongly correlated, Redruth has higher incidences of long-term disability in all age groups compared to local and national levels. The 65 and over age group displays the greatest deviation between the neighbourhood and local levels. The amount of people aged 65 and over in Redruth with LTHPD is proportionally 5.6% greater than that found in Cornwall.

268. For Cornwall as a whole analysis show a total increase of 30.9% for people with an LTHPD by 2030, driven largely by growth in the older population. This may require a potential uplift in specialist housing for people with disabilities that should be planned for in the context of the overall increase in housing provision afforded by the NDP.

269. The four most common adaptations required by households containing people with a disability or other health-related challenge are a grab hand rail (40%), a bath or shower seat (30%), a specialist toilet seat (25%), and a shower to replace a bath (19%).⁶⁶ It is relatively easy for new housing to be suitable to be adapted in these ways at relatively low cost, and this minimum measure of adaptability across new housing in Redruth would be reasonable given the evidence of a growing population of people with disabilities. Bungalows in particular can play an important role in meeting the current and future needs of people with accessibility needs.

⁶⁶ English Housing Survey 2014-15: Adaptations and Accessibility

8. Conclusions

8.1 Overview

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

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

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Quantity of housing to plan for	AECOM Calculations, Census 2001 and 2011, ONS household projections, 2018 National Planning Policy Framework (NPPF), Planning Practice Guidance (PPG), Cornwall Local Plan 2016	<p>Cornwall’s Local Housing Need figure is calculated to be 2,877 net additional dwellings per year.</p> <p>In 2011 there were 14,018 people living in Redruth, or 2.6% of the 532,273 people in Cornwall. Applying this percentage to Cornwall’s annual LHN of 2,877 gives an indicative HNF for Redruth of 75 dwellings (rounded) per annum, or 1,469 dwellings over the Neighbourhood Plan period.</p> <p>However, as stated in NPPF guidance, it is important to acknowledge the relevant policies in the most recently available development plan document for the LPA. The Cornwall Local Plan allocates 6,200 dwellings over the planning period for the CPIR CNA. Redruth’s fair share is calculated as 1,798 homes (29% of 6,200 homes), which equates to an annual average of 90 dwellings.</p> <p>Taking the 1,798 figure and we can calculate this as a proportion of the overall district target of 52,500, this equals 3.42%. We then apply this 3.42% to district LHN of 2,877. This equates to 98 dwellings for Redruth per year (rounded), or 1,960 dwellings over the entire Local Plan period. Next we subtract any net completions that have occurred between 2010 and present. After deducting the completions (782) a remaining HNF of 1,178 dwellings can be calculated for the remainder of the Plan period, equating to 107 dwellings per year (rounded).</p>	<p>There have been 1,062 dwelling commitments over the same period. However, AECOM recommends that commitments should not yet be discounted from the overall quantity figure; it is only once they are completed that this can take place.</p> <p>This HNA recommends an overall HNF of 1,960 dwellings, which equates to 98 dwellings per year over the Neighbourhood plan period, between 2010 and 2030, or a remaining HNF of 1,178 dwellings between 2019 and 2030, which equates to 107 dwellings per year.</p> <p>If a formal Neighbourhood Plan housing requirement figure is provided by Cornwall, it may need to supersede the provisional calculation within this study, reinforcing the need for the neighbourhood group to continue to engage with the LPA to confirm the final housing figure for the neighbourhood plan.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	AECOM Calculations, Census 2001 and 2011, SHMNA, Land Registry PPD, Cornwall Local Plan 2016.	<p>Redruth is characterised by a lower level of home ownership and a higher of private rented households compared to Cornwall. Redruth has a higher proportion of rented households than Cornwall.</p> <p>The median house has increased by 13.8%, whilst lower quartile prices increased of 10.5%.</p> <p>The income required to buy an average market home for sale is insufficient for those on median household incomes.</p> <p>All tenures are out of reach for those on lower quartile incomes, even those earning median incomes are unable to afford many of the intermediate tenures.</p> <p>These findings align with those of the SHMNA, which highlights Cornwall's significantly high affordability ratio.</p> <p>Cornwall's Local Plan seeks a target provision of 70% affordable rented and 30% intermediate tenures.</p>	<p>A strong focus should be placed on delivering more affordable housing, to enable all potential residents to access housing in Redruth.</p> <p>We estimate 105 households will need affordable housing for rent and 144 households will need affordable housing for sale, representing a broadly balanced split of 42% to 58% in percentage terms. It is important that the neighbourhood planners liaise with and get the support of the LPA should they wish to depart from the district-level policy.</p> <p>Our findings suggest shared ownership (25%+) should be provided as the main route to affordable home ownership .</p> <p>Starter homes and other discounted market sale products may be affordable if discounted on the basis of existing entry level prices but may not be affordable if discounted in relation to new build prices. This HNA suggests that there should be some provision of this type of housing to introduce a greater degree of choice but the pricing of these products will need to be assessed in terms of affordability for households in need.</p> <p>There should continue to be a focus on affordable rented tenures to provide housing which is accessible to those on low incomes and those supported by housing benefit whose needs are most urgent.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Housing type and size	AECOM Calculations, ONS 2001-2011, ONS 2011, Valuation Office Agency, SHMNA, Housing Market Model, MHCLG 2014-based household projections	<p>Redruth is characterised by a significantly higher proportion of terraced dwellings. Redruth appears to have an adequate number of bungalows, however, there appears to be an overabundance of larger bungalows and a shortage of smaller one-bedroom bungalows.</p> <p>Redruth has generally smaller properties. The proportion of households of all sizes has increased in Redruth, except for one-room dwellings which experienced a decline. Two-room dwellings experienced the greatest growth.</p> <p>Redruth has a relatively younger population when compared to the Cornwall. Redruth's population has experienced growth in all age groups, with the 85 and over group experiencing the greatest growth.</p> <p>Redruth has more one-person households, however a lower proportion of these one-person households are aged 65. The proportion of households with dependent children is higher in Redruth.</p> <p>The proportion of one-person households in Redruth increased at a greater rate compared to local and nation levels. Within this category the proportion of those aged 65 and over declined, reflecting the decline at local and nation level.</p>	<p>The results of the life-stage modelling suggest that new housing provision overall should focus on larger properties (3 bed plus) However, it is important to caveat the result of this model, because it is based on past trends and existing supply.</p> <p>However, these conclusions contradict earlier findings which have established the need for affordable homes and housing for the older people which implies the need for some smaller dwellings.</p> <p>Therefore, it is recommended that one- and two-bedroom dwellings continue to be delivered in Redruth to permit older households in larger dwellings to downsize, allowing newly forming households to access housing through smaller and more affordable dwellings.</p>

Issue	Source(s) (see Chapter 3)	Summary of evidence and data assessed	Conclusions and recommendations
Specialist housing for older and disabled people	AECOM Calculations, HousingCare.org, Census 2011, ONS SNPP 2013& 2016, Housing LIN	<p>There are 190 existing units of specialist housing for older people in Redruth, for a 2011 population of 1,255 people aged 75. Suggesting the actual rate of provision in Redruth is approximately 151 dwellings per 1000 population aged 75+.</p> <p>HLIN calculations suggest an overall total of 524 specialist dwellings for older people who require housing with care. By contrast, the tenure led calculations suggest the number of households falling into potential need for specialist accommodation is 829, though around half have limited needs and are likely to be accommodated in mainstream housing.</p> <p>Redruth has a higher proportion of people with an LTHPD compared to local and national level. Redruth has higher incidences of long-term disability in all age groups. The amount of people aged 65 and over in Redruth with LTHPD is proportionally 5.6% greater than that found in Cornwall.</p>	<p>There's a significant and unspecifiable degree of overlap between the needs of disabled people and the needs of the elderly.</p> <p>For older people it is recommended that the number of specialist dwellings is expanded the end of the plan period. These could be delivered as extra care schemes or other forms of housing with care. Some of this need may also be accommodated by suitable mainstream housing provision, for example homes which meet higher accessibility and adaptability standards and where appropriate care and support can be provided.</p> <p>Redruth is considered a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness.</p> <p>There may be a requirement for a potential uplift in specialist housing for people with disabilities. Similarly, some of this need might be addressed through the provision of mainstream homes which meet higher accessibility and adaptability standards.</p>

8.2 Recommendations for next steps

271. This Neighbourhood Plan housing needs assessment aims to provide Redruth 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 Cornwall with a view to agreeing and formulating draft housing policies, bearing the following in mind:

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

272. 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.

273. Bearing this in mind, we recommend that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Cornwall or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

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

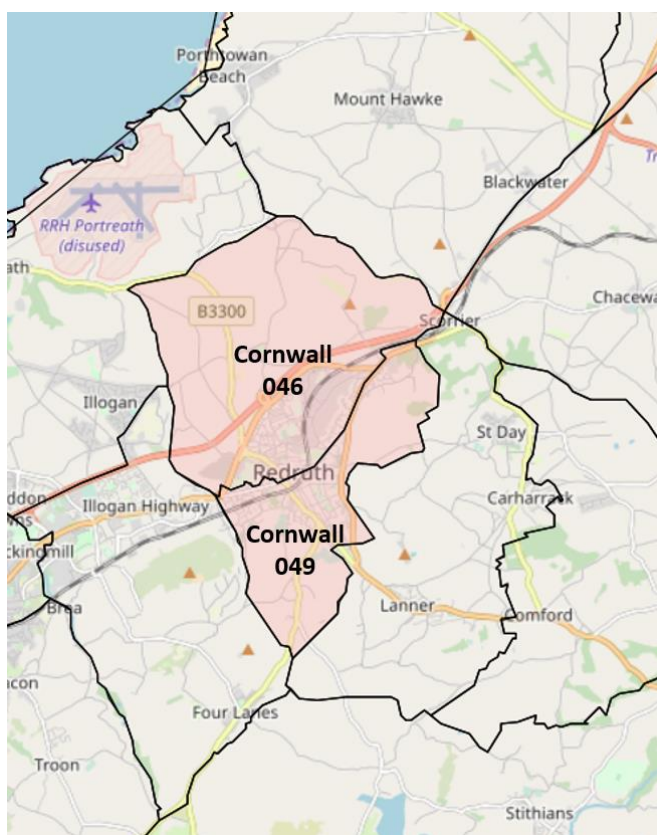
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

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

276. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Redruth, it is considered that MSOAs E02003919 and E02003920 (also referred to as Cornwall 046 & Cornwall 049) are the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of the combined MSOA appears below in Figure 8-1.

Figure 8-1: MSOA E02003919 and E02003920 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

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

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

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

280. To determine affordability in market housing, we consider two primary indicators: income thresholds (IT), which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds (PT), which denote the standard household income required to access mortgage products.

i) Market sales

281. The starting point for calculating the affordability of a dwelling for sale (i.e. the PT) from the perspective of a specific household is the loan to value ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.

282. To produce a more accurate assessment of affordability, both the savings available for a deposit and the equity in the home from which the buyer is moving (if not a first-time buyer) should be taken into account. However, this data is not available for Redruth. As such, a reasonable assumption is therefore made that a 10% purchase deposit is available to the prospective buyer.

283. The calculation is therefore:

- Value of an 'entry level dwelling'⁶⁷ = £131,500;
- Purchase deposit = £13,150 @10% of value;
- Value of dwelling for mortgage purposes = £118,350;
- Loan to value ratio = 3.5 of value of mortgage;
- **Purchase threshold = £33,814.**

ii) Private Rented Sector (PRS)

284. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. Households are deemed able to afford a private rent property if the lower quartile private rent does not exceed 25% of gross household income for households with incomes of less than £40,000 per annum, or 30% of gross household income for households with incomes of more than £40,000 per annum.

285. It is assumed that lower quartile private rent equates to the average rent paid in the Neighbourhood Plan area for a two-bedroom dwelling (enough living space for two or three individuals). In order to be in conformity with the Government guidance on overcrowding,⁶⁸ such a home would require three habitable rooms (a flat or house with two bedrooms).

286. The property website Home.co.uk shows rental values for property in the Neighbourhood Plan area. The best available data is derived from properties available for rent within the TR15 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.

287. According to home.co.uk, there are 20 two-bed properties currently listed for rent across TR15, with an average price of £567 per calendar month.

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

- Annual rent = £567 x 12 = £6,799;
- Multiplied by 4 = £27,197;
- **Income threshold (private rental sector) = £27,197.**

289. The NPPF 2018 acknowledges that build-to-rent dwellings have a role to play in providing affordable market homes and may meet affordable housing need where they include a component of affordable private rent.

⁶⁷ 'Entry-level dwelling' can be understood to comprise a property that costs the average value of dwellings falling into the lower quartile of house prices in the Neighbourhood Plan area, as set out in the Tenure and Affordability chapter above.

⁶⁸ This is based on the concept of the 'room standard', which indicates a dwelling is legally overcrowded if two people of the opposite sex have to share a room to sleep in (this does not apply when couples share a room). See: http://england.shelter.org.uk/housing_advice/repairs/overcrowding

A.3 Affordable Housing

290. There are a range of tenures that constitute the definition of Affordable Housing within the 2018 NPPF: social rent and affordable rent, starter homes, discounted market sales housing, and other affordable routes to home ownership.
291. This variety of tenures reflects an ambition by the Government to provide a pathway to home ownership for more sectors of the population, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide affordable housing into a series of products designed to appeal to different sectors of the market and, by changing eligibility criteria, bring rents closer in line with people's ability to pay.
292. A good example is, in 2012, the introduction of dwellings for affordable rent. Rent for this tenure is set at up to 80% of market rent. Labelled an 'intermediate' product, this tenure is suitable for people with an income that precludes them from eligibility for socially-rented dwellings (where rent is set in accordance with the Government's rent policy), but who, at the same time, cannot afford to access the private market.
293. The overall aim is to restrict eligibility for social rent dwellings to those with very low household incomes, relatively speaking. However, within this tenure, market principles also apply, given the link between rents and size of dwelling. There is a strong financial incentive for households to only occupy a dwelling deemed suited to their needs, based on an 'occupancy rating' formula set by the Government.
294. We consider each of the affordable housing tenures in turn, before developing a recommendation for how the quota of affordable housing yielded by development should be divided between these tenures.

i) Social rent

295. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on low incomes and is subject to strict eligibility criteria.
296. To determine social rent levels, we used the data and statistical return from Homes England. This data is only available at the LPA level so must act as a proxy for Redruth. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Cornwall in the table below.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent PCM	£74	£83	£92	£101	£85
Annual average	£3,829	£4,300	£4,778	£5,259	£4,397
Income needed	£15,317	£17,200	£19,113	£21,037	£17,586

Source: Homes England, AECOM Calculations

ii) Affordable rent

297. Affordable rent is controlled at no more than 80% of the local market rent; as we have seen, the annual entry-level rent in Redruth is £6,799. In the event of a 20% reduction in rent to £5,439, the income threshold would reduce to an estimated **£21,757**.

iii) Intermediate tenures

298. Intermediate housing includes homes for sale and rent provided at a cost above social rent, but below market levels, subject to the criteria in the affordable housing definition above. They can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing.

Starter homes

299. The Housing and Planning Act 2016 introduced a duty on planning authorities in England to promote the supply of 'starter homes', and to require a minimum number or proportion of 'starter homes' on certain residential development sites. In paragraph 64 of the NPPF 2018, the Government introduces a recommendation that "where major housing

development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership”.

300. In effect, therefore, the NPPF permits neighbourhood planners to decide an appropriate level of affordable home ownership tenure, while taking note of the 10% policy expectation.
301. A starter home is a new build home with a value not exceeding £250,000 (or £450,000 in London); they are eligible for first time buyers aged 40 or younger.
302. Whether to treat discounted market sale homes as affordable housing or not depends on whether lowering the asking price of new build homes of a size and type suitable to first time buyers by 20% would bring them within reach of people currently unable to access AMH for purchase.
303. To provide a conservative assessment of the suitability of discounted market sale homes, it is appropriate to apply the value we have estimated for an entry-level dwelling, namely £131,500.
304. Applying a discount of 20% provides an approximate selling price of £105,200. Allowing for a 10% deposit further reduces the value of the property to £94,680. The income threshold at a multiple of 3.5 is **£27,051**.

Shared ownership

305. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned.
306. 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 £60,000.
307. To determine the affordability of shared ownership, calculations are based on the lower quartile house price of £131,500.⁶⁹ The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to value ratio of 3.5 is used to calculate the income required to obtain a mortgage. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 25% of the income on rent (as for the income threshold for the private rental sector).
308. A 25% equity share of £131,500 is £32,875, from which a 10% deposit of £3,288 is deducted. The mortgage value of £29,588 (£32,875 - £3,288) is then divided by 3.5. To secure a mortgage of £29,588, an annual income of £8,454 (£29,588/3.5) is therefore needed. In addition to mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £98,625. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which is £2,466 and requires an income of £9,863. Therefore, an income of around **£18,316** (£8,454+ £9,863) is required to afford a 25% shared equity purchase of an entry-level house with annual rent.
309. A 50% equity share of £131,500 is £65,750, from which a 10% deposit of £6,575 may be deducted. The mortgage cost of £59,175 (£65,750 - £6,575) is then divided by 3.5. To secure a mortgage of £59,175, an annual income of £16,907 (£59,175 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 50% shared ownership equity, comprising the unsold value of £65,750. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £1,644, requiring an income of £6,575. Therefore, an annual income of around £23,482 (£16,907 + £6,575) is required to afford a 50% shared equity purchase of an entry-level house with annual rent.
310. A 75% equity share of £131,500 is £98,635, from which a 10% deposit of £9,863 can be deducted. The mortgage cost of £88,763 (£98,635 - £9,863) is then divided by 3.5. To secure a mortgage of £88,763, an annual income of £25,361 (£88,763 / 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 25% shared ownership equity, comprising the unsold value of £32,875. An ongoing annual rent equivalent to 2.5% of the value of the unsold equity is assumed, which corresponds to £822, requiring an income of £3,288. Therefore, an annual income of around £28,648 (£25,361 + £3,288) is required to afford a 75% shared equity purchase of an entry-level house with annual rent.

⁶⁹ It is important to note that this is based on new build sales only. The current shared ownership models are only available for new build homes, with the assumed cost therefore differing from the cost of open market housing, which also includes property re-sale.

Appendix B : Calculation of Affordability Housing Need

B.1 Affordable Housing Need Assessment for Redruth - Methodology

311. In section 5.7 of this report we provide an estimate of the total need for affordable housing for rent and sale in Redruth over the Plan period. The methodology on how these figures have been calculated for Redruth are explained step by step in Tables B-1 and B-2 below.

i) Households Who Need for Social/Affordable Rent

312. This first part of the assessment estimates the number of households who need Affordable Housing because they cannot afford to rent in the market. If they are to be accommodated in affordable homes, they will need social or affordable rent.

Table B-1: Households Who Need for Social/Affordable Rent- Methodology

	Step	Stage	Source	Calculations	Stage and Step Description
Current need (backlog)	1.	Priority need on housing waiting list	Cornwall	5.1	As of November 2019, Cornwall advises that there are there are 102 households in reasonable preference categories (priority bands A to D) on the Cornwall Home Choice register with a local connection to Redruth. Divided by the number of years in the Plan period (20), this results in an annualised figure of 5.1.
	2.	Concealed / overcrowded Households	Census 2011; AECOM calculations	5.7	At the time of the 2011 Census there were 216 households living in overcrowded homes and 81 concealed households in Redruth. The higher of these two figures is 216 (which is used to avoid double-counting). Because the Cornwall Home Choice register counts overcrowded households, the number of entrants on the register are subtracted from the number of overcrowded households. The result is 114 households. Divided by the number of years in the Plan period produces an annualised figure of 5.7.
	Annualised current backlog need			10.8	Adding together the results of steps 1 and 2 results in current backlog need of 10.8, annualised over the Plan period.
Future (newly arising) need	3.	Annual increase of households between the 2011 Census and the end of the Plan period	ONS Census 2011; MHCLG 2014-based household projections	37	Taking households in 2011 in Redruth as a proportion of all households in the LPA (2.5%), Redruth's share of LPA household growth by the end of the Plan period will be 6,792 (rounded) ($271,671 \times 2.5\% = 6791.775$), an increase of 701 from the 2011 Census. This equates to an annual increase of 37 households (rounded) (701/19 years).
	4.	The rate of need for Affordable Housing for rent	ONS Census 2011; MHCLG 2014-based household projections; AECOM Calculations	18%	The number of households in Redruth in social housing at the time of the 2011 Census was 911. Current backlog need as above is 216 households (194 on the housing register, plus 36 overcrowded / concealed households). Total need is therefore 1,105 (911+216) households. This is divided by the estimated number of households in NP area currently, which is

					Redruth's share of Cornwall's household projection for 2019 of 248,003, which is 6,200 (at 2.5%). Dividing total need (1,105) by the total number of households (6,200) produces a need rate of 18% of all households.
	5.	Number of households that will form per annum over the plan period in need of Affordable Housing for rent	AECOM Calculations	6.66	This rate of need is then applied to the number of households projected to form per annum over the Plan period (37 x 18%) = 6.66
	6.	Estimation for the number of existing households falling into need per year	Cornwall Council Waiting List; ONS housing benefit caseload data to May 2018; AECOM Calculations	0	There are two methods for calculating this step. The first method uses the average annual change in the total number of households on the LA waiting list over last 3-5 years, prorating for the NP area. The alternative method uses average growth in housing benefit claimants over 3-5 years, prorating for the NP area. Both these sources show negative growth for Cornwall, as such the figure for this step is 0.
	Annualised future need			6.66	Total future need is therefore 6.66 + 0 = 6.66.
Supply	7.	Average number of re-lets per annum	Local Authority Housing Statistics data returns, England 2017-18; AECOM Calculations	12.2	The number of re-lets in social/affordable rented housing in Cornwall is 658. The number of new lets (i.e. first lets to new homes) in Cornwall is 197. Subtracting this from re-lets gives a figure of 488 for Cornwall. Prorated for the NP area produces an annual rate of 12.2 re-lets for Redruth.
Shortfall per annum	8.	Sum of annualised backlog need and future need, minus supply	AECOM Calculations	5.26	$10.8 + 6.66 - 12.2 = 5.26$.
Total need for Affordable Housing for rent in Redruth over the Plan period				105	Over the Plan period, this amounts to need for 105 households (rounded).

ii) Households Who Need Subsidised Home Ownership

313. This second part of the assessment provides a figure for the number of households who need Affordable Housing because they cannot afford to buy in the market. They can afford to rent however and so this estimate is different in nature to the first group. If they are to be accommodated in Affordable Housing these households will need some form of affordable home ownership, such as shared ownership, Starter Homes, rent to buy or intermediate rent

Table B-2: Households Who Need Subsidised Home Ownership- Methodology

	Step	Stage	Source	Calculations	Stage and Step Description
<i>Current need (backlog)</i>	1	Potential need for Affordable Housing for sale in 2019	Cornwall Council	117	According to Cornwall Council there are 117 households registered on Help to Buy SW with a local connection to Redruth.

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	2	Annualised need for Affordable Housing for sale until the end of the Plan period	AECOM Calculations	5.85	This result is then divided by the 20 years in the Redruth Plan period, giving an annualised current need figure of 5.85.
<i>Future need (newly arising)</i>	3	Annual increase of households between the 2011 Census and the end of the Plan period	ONS Census 2011; MHCLG 2014-based household projections	37	Taking households in 2011 in Redruth as a proportion of all households in the LPA (2.5%), Redruth's share of LPA household growth by the end of the Plan period will be 6,792 (rounded) ($271,671 \times 2.5\% = 6791.775$), an increase of 701 from the 2011 Census. This equates to an annual increase of 37 households (rounded) (701/19 years).
	4	Rate of need for Affordable Housing for sale	ONS Census 2011; ONS housing benefit caseload data to May 2018; AECOM Calculations	9%	The number of households in private rented housing in Cornwall at the time of the 2011 Census was 38,605. 16,623 of those households were on housing benefit (as provided in ONS housing benefit caseload data to May 2018) and are discounted here. The remaining 21,982 are added to total backlog need for Cornwall identified above of 117 to produce a result of 22,099, which is then divided by the estimated number of households in Cornwall currently. According to the household projections, this is 248,003. The rate of need for Affordable Housing for sale is therefore 9%.
	5	Future annualised need for Affordable Housing for sale	AECOM Calculations	3.30	This percentage is then applied to the number of households that will form per annum over the plan period as above (37) to produce future annualised need of 3.30.
<i>Supply</i>	6	Annual supply of shared ownership dwellings in NA	ONS Census 2011	1.95	There were 39 households living in a shared ownership dwelling (the only representation of Affordable Housing for rent captured in the Census) in Redruth in 2011. It is assumed that 5% of stock is sold each year. $5\% \times 39$ produces an annual supply figure of 1.95 households.
Total NA need for Affordable Housing for sale in Redruth over the Plan period				144	Current need in Redruth is 5.85 plus future need of 3.30, minus supply of 1.95 = 7.2. Over the Plan period, this amounts to need for 144 households.

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

Affordable Housing (NPPF Definition)

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

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

b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household's eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms

(March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods⁷⁰.

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard⁷¹

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

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order⁷²

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)⁷³

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

⁷⁰ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

⁷¹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

⁷² See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁷³ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Equity Loans/Shared Equity

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

Extra Care Housing⁷⁴

New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming frailer and less able to manage day-to-day tasks without assistance. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very or enhanced sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. In addition to the communal facilities often found in sheltered housing (residents' lounge, guest suite, laundry), Extra Care often includes a restaurant or dining room, health & fitness facilities, hobby rooms and even computer rooms. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, owned or part owned/part rented. There is a limited (though increasing) amount of Extra Care Housing in most areas and most providers set eligibility criteria which prospective residents have to meet.

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.

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.

⁷⁴ See <http://www.housingcare.org/jargon-extra-care-housing.aspx>

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, such as Starter Homes, the Government's flagship 'housing product'.

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years⁷⁵, 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 the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

⁷⁵ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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.

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%, 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 Housing⁷⁶

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

⁷⁶ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

Specialist Housing for the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.⁷⁷

⁷⁷ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

