

Lymm Housing Needs Assessment (HNA)

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Lymm Parish Council

Lymm Parish Council is the official Qualifying Body, but the neighbourhood planners are hereafter referred to as Lymm Neighbourhood Plan Group (or 'the Group')

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
HNA	Housing Needs Assessment
HNF	Housing Needs Figure
HRP	Household Reference Person
LHN	Local Housing Need
LA	Local Authority
LNPG	Lymm Neighbourhood Plan Group
MHCLG	Ministry of Housing, Communities and Local Government (formerly DCLG)
NP	Neighbourhood Plan
NA	Neighbourhood Plan Area
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PCM	per Calendar Month
PPG	Planning Practice Guidance
PRS	Private Rented Sector
SDR	Statistical Data Return
SHMA	Strategic Housing Market Assessment
WBC	Warrington Borough Council

1. Executive summary

1. This report provides Lymm Neighbourhood Group (the Group) with information regarding the mix of housing they should plan for in the future. This information can be used to inform debate, and can bolster local understanding of the appropriate course of action to be taken as well as provide justification for site allocations and site mix policies. This report was produced using reputable sources with the most recent data available and accepted ways of analysing such data.
2. The report examines:
 - What mix of types and sizes of dwellings is required over the Plan period;
 - What Affordable Housing (AH) and other market tenures are appropriate to meet local needs.

Type and size findings

3. Lymm's stock of existing housing is made up of larger dwellings than that of Warrington Borough, although the mix of dwelling types is relatively similar in both areas.
4. The parish contains a lower proportion of one person households and a higher proportion of families than both Warrington Borough and England. However, the number of one person households increased in Lymm over the intercensal period, and the parish population is ageing faster than that of the wider Borough.
5. While the provision of generally larger homes in Lymm between 2001 and 2011 may be suitable for families, this pattern of supply potentially misses an opportunity to accommodate young families with no or few children (who may make up a declining share of households in the parish as a result of the lack of suitable housing), and the fast-growing population of older people who may be seeking downsizing options.
6. Lymm's demographic profile at the end of the Plan period in 2037 is expected to be dominated by households aged 65 and over and those aged 35 to 54. Three-bedroom homes are particularly popular among both these dominant age bands, with the 35 to 54 group also likely to occupy larger dwellings and the 65 and over group expressing a strong preference for two-bedroom homes.
7. Given the fact that Lymm's current dwelling stock is made up of larger dwellings compared with Warrington Borough, and that the parish's ageing population is likely increasingly to favour smaller dwellings, it is logical that the recommended dwelling mix for new development over the Plan period should be focused on the provision of three-bedroom (61%) and one- and two-bedroom homes (29% in total).
8. We recommend combining the identified need for one- and two-bedroom dwellings into a combined target in order to allow for flexibility of application in relation to actual demand displayed in the market. This will also help to ensure that Lymm's capacity for smaller units is well-balanced between market and Affordable Housing (AH).
9. This proposed dwelling mix excludes homes with four or more bedrooms because they are already relatively well-supplied. However, to prevent the delivery of such homes altogether would not be practical or help to facilitate a balanced community, so a degree of flexibility should be applied.
10. In terms of the types of dwellings required, some unmet demand for generally more affordable dwelling types, such as terraced homes, should be addressed. The size recommendation for one- and two-bedroom homes would help to achieve this. It is also advisable to promote the delivery of bungalows or other forms of age appropriate housing in order to meet the needs of the ageing population and to reflect the fact that other smaller dwelling types, such as apartments, may not in practice be popular market propositions in a rural parish like Lymm.

Tenure findings

11. We estimate that 49 Lymm households are currently unable to access housing that meets their needs, and that a further 65 households will be in need of AH over the plan period. If Lymm's housing target of 430 dwellings is provided in line with the 30% AH requirement of the Warrington Local Plan, a total of 129 AH units and 301 market units will be delivered over the Plan period.
12. As long as new development in the parish is Local Plan policy compliant in terms of the 30% proportion of AH, and sufficient sites come forward that are above the 10-dwelling size threshold required to deliver that AH contribution, this should be sufficient to meet the AH needs of the community, which amounts to 102 dwellings.
13. In terms of Lymm's current tenure profile, a higher proportion of households own their own home and a lower proportion live in Social Rented accommodation than Warrington Borough and England as a whole. Over the intercensal period, Lymm's frequency of ownership increased slightly, while both shared ownership and private renting expanded greatly, and Social Renting declined moderately.

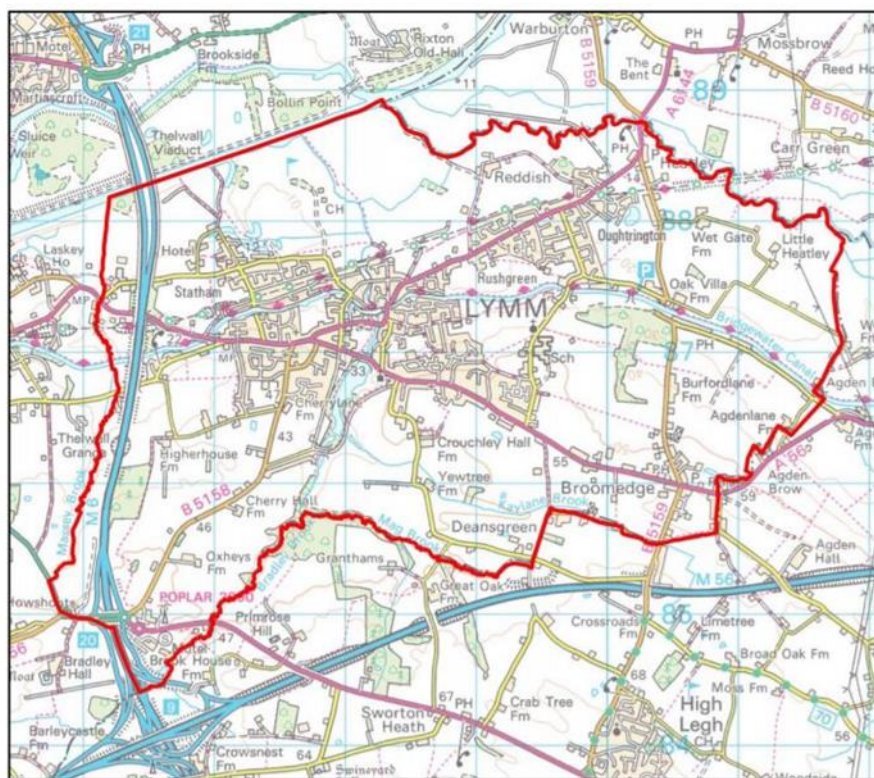
14. This is perhaps surprising, given the fact that, according to our affordability analysis, the average net annual household income (at £36,500) is insufficient to occupy all tenures apart from Social Rent, Affordable Rent, and shared ownership at a 25% share.
15. However, entry-level market renting and other affordable routes to home ownership may be within reach of households on average incomes if they spend a greater share of their income on housing costs than our model assumes.
16. There is a clear need, then, for the relatively limited range of tenures available in Lymm to be diversified away from homes for market sale, and weighted more towards options that are either currently affordable to most households (such as Affordable Rent), and other options that may become more affordable if supplied in greater numbers or smaller sizes. Achieving the Borough's target of 30% AH on all new developments should therefore be encouraged wherever possible.
17. In terms of the tenure split of Affordable Housing, we recommend that AH provision should focus on dwellings for Social and Affordable Rent – as is Warrington's priority. However, there are clear benefits to increasing the supply of affordable routes to home ownership, particularly given that shared ownership at a 25% share is affordable to households on average incomes, and such tenures should form part of the dwelling mix for new development.
18. On the basis of the evidence we have gathered, the same split of AH tenures put forward in Policy DEV2 of the emerging Warrington Local Plan is appropriate in Lymm.

2. Context

2.1 Local context

19. Lymm is a village and civil parish located in the Borough of Warrington in Cheshire, approximately six miles south east of the town of Warrington. The parish is 1,686 ha in size and had a population of 12,350 at the time of the 2011 Census.
20. As well as Lymm itself, the parish boundary includes the hamlets of Booths Hill, Broomedge, Church Green, Deansgreen, Heatley, Heatley Heath, Little Heatley, Oughtrington, Reddish, Rushgreen and Statham.
21. The parish's northern boundary is formed by the Manchester Ship Canal; the M6 runs the length of the western boundary; Bradley Brook, Mag Brook and Kay Lane form a southern boundary; and the River Bollin forms the majority of the eastern boundary.
22. Both the M56 and the M6 motorways are within 3 miles of Lymm, connecting the village to Warrington as well as the cities of Birmingham, Manchester and Liverpool. The Lymm Interchange junction connects these motorways with the A50. There is no railway station within the Neighbourhood Plan Area (NA).
23. Lymm was designated as an NA in 2017, and its boundary is shown in Figure 2-1 below.

Figure 2-1: Lymm Neighbourhood Plan Area



24.  **Legend**
 Lymm Neighbourhood Area

Source: Lymm Neighbourhood Plan Area Designation Notice

2.2 Planning policy context

25. In line with the basic conditions of Neighbourhood Planning, Neighbourhood Plans are required to be in general conformity with adopted strategic local policies. Consequently, there is a requirement for the relevant Local Plan to be reviewed as part of this Housing Needs Assessment (HNA).
26. The Warrington Local Plan Core Strategy was adopted in July 2014 and sets out the planning framework for the area between 2006 and 2027.¹ Parts of this document were challenged in the High Court in 2015 and three items within the Local Plan, including the housing target of 10,500 new homes (equating to 500 per year) were overturned; all other policies within the plan remain unaltered. The Policy Review section below therefore disregards those policies that were overturned.
27. A new Local Plan is currently under development and will cover the period 2017-2037. A Proposed Submission Version of the emerging Warrington Local Plan has been published for consultation and is expected to be approved in June 2019.²
28. Both documents have been reviewed for policies relevant to housing need. The adopted Local Plan is the document with which the Neighbourhood Plan will need to be in conformity to meet the Basic Conditions of neighbourhood planning. However, the emerging Local Plan has reached Regulation 18 consultation and can therefore be accorded material weight in the planning process. As such, both plans are reviewed below.

2.2.1 Adopted Warrington Local Plan 2006-2027 policy review

29. **Policy SN 2: Securing Mixed and Inclusive Neighbourhoods** states that a mixture of housing types and tenures will be provided through the delivery of new homes in order to help secure mixed and inclusive neighbourhoods. This will be achieved by:
 - requiring development proposals to deliver a mix of dwellings which seek to better balance the housing market by matching supply to identified needs;
 - requiring development proposals to give specific consideration to meeting the needs of the elderly and enabling a greater degree of self-independent living;
 - ensuring that all developments which incorporate open market housing and with a capacity of 5 or more dwellings make provision for affordable housing on the following basis:
 - 20% on a previously developed or greenfield site between 5 and 14 dwellings regardless of its location within the borough;
 - 30% on a previously developed site of 15 or more dwellings where that site is located outside of Town Centre and Inner Warrington; and
 - 30% on a greenfield site of 15 or more dwellings regardless of its location within the borough; and
 - 50% of the required affordable provision should be for social rent and 50% for intermediate housing.
30. The policy continues: In each case, the provision to be made will be based on negotiation and agreement on a site by site basis. A lower proportion and/or a different tenure split may be permitted where it can be demonstrated to the satisfaction of the Council that development would otherwise not be financially viable, and affordable housing provision is nevertheless being maximised.
31. The presumption will be for affordable housing to be provided on the application site unless the type of housing proposed does not accord with priority needs, or the nature of the site is deemed unsuitable for affordable housing, in which case a commuted sum in lieu of on-site provision will be required.

2.2.2 Emerging Warrington Local Plan 2017-2037 policy review

32. **Policy DEV1 – Housing delivery**, which sets out the Borough's housing requirements and distribution aims. The policy puts forward a minimum delivery target of 18,900 new homes over the Plan period 2017-2037. This equates to

¹The Warrington Local Plan Core Strategy (2014) Accessed at: https://www.warrington.gov.uk/download/downloads/id/8612/adopted_local_plan_core_strategy.pdf

² Accessed at: <https://www.warrington.gov.uk/download/downloads/id/19339/proposed-submission-version-local-plan-v4.pdf>

945 dwellings per year, but the trajectory specifies an expectation for 847 homes per annum over the first five years and 978 homes per annum over the following 15 years.

33. The majority of this target is to be delivered in the main urban area of Warrington.
34. Lymm Parish is allocated a minimum of 430 net additional dwellings over the Plan period. Sufficient site allocations have been made to provide this, and are detailed at the end of this section.
35. **Policy DEV2 – Meeting housing needs**, which assesses the overall need for Affordable Housing (AH). This amounts to 377 such dwellings per annum over the Plan period 2017-2037.
36. The policy requires that on any residential development of 10 dwellings or more (or greater than 1,000sqm) outside of Inner Warrington, 30% of new housing should be AH.
37. The policy further states that the majority of AH need in Warrington is AH for rent, and that securing AH for rent is the Council’s priority. In accordance with national policy, affordable home ownership should be provided to the equivalent of 10% of the total number of homes within a development, with the balance of AH being either affordable rent or social rent. This means that the Council will seek a 66/34 split between rented and low cost home ownership within the AH to be provided, with different tenure splits or a lower proportion only being permitted where clear mitigating circumstances can be demonstrated.
38. The policy **also** puts forward a target mix of different tenures by dwelling size, which is reproduced in Table 2-1 below.

Table 2-1: Warrington housing need by size and tenure

	1 bed	2 bed	3 bed	4+bed
Market	0-5%	20-25%	50-55%	20-25%
Low cost homeownership	15-20%	40-45%	30-35%	5-10%
Affordable housing (rented)	20-25%	40-45%	20-30%	5-10%

Emerging Warrington Local Plan 2017-2037

39. The policy also requires that on residential developments of 10 dwellings or more, 20% of new housing should accommodate the needs of older people. The nature of this provision will be determined on a site by site basis depending on demand in a particular area and the appropriate type of provision for the site or scheme.

Site allocations in the emerging Warrington Local Plan 2017-2037

40. There are four site allocations for Lymm listed in the emerging Local Plan:
 - Massey Brook Lane;
 - Pool Lane;
 - Rushgreen Road; and
 - Warrington Road.
41. **Policy OS5 – Lymm (Massey Brook Lane)** states that land to the west of Lymm will be removed from the Green Belt and 60 new homes, with a range of housing types and tenures, should be built. A minimum of 30% of these homes should be affordable and the site should be developed in accordance with the emerging Lymm Neighbourhood Plan.
42. **Policy OS6 – Lymm (Pool Lane)** states that land to the west of Lymm will be removed from the Green Belt and 40 new homes, with a range of housing types and tenures, should be built.
43. **Policy OS7 – Lymm (Rushgreen Road/Tanyard Farm)** allocates land for a residential-led mixed-use development providing a minimum of 200 new homes and a new health facility. This land will also be removed from the Green Belt.
44. **Policy OS8 – Lymm (Warrington Road)** states that land to the West of Lymm will be removed from the Green Belt and 130 new residential homes, with a range of housing types and tenures, should be built. This site is expected to be delivered quickly (completed in 2021/22).

3. Approach

3.1 The Neighbourhood Plan period

45. Lymm Neighbourhood Plan will cover the planning period 2017-2037, and will therefore mirror the period covered by the emerging Warrington Local Plan.

3.2 Research Questions

46. Below we set out the research questions relevant to this study, as discussed and agreed with Lymm Neighbourhood Plan Group (the Group). Research Questions, abbreviated to 'RQs', are determined at the start of the project through discussion with the Group. They serve to direct our research and provide the structure for the Housing Needs Assessment (HNA).

3.2.1 Type and size

47. The Group perceives that the recent provision of housing in Lymm has comprised many larger, higher-priced units, meaning that newly-forming and downsizing households are not being provided with housing options appropriate to their needs. They are seeking to determine what types and sizes of housing would be best suited to the local community in order to ensure that future developments give local people at all stages of life the options they require. This evidence will assist in the crafting of housing policy that ensures that new development is aligned with community priorities.

RQ1: What type (detached, semi-detached, terrace, bungalow, or flat) and size (number of bedrooms) of housing is most appropriate to meet local needs, now and in future?

3.2.2 Tenure and affordability

48. The group would like to understand in greater detail the needs of the community for housing of various tenures. They are keen to establish the right conditions for new development to come forward that is affordable, both in the NPPF definition of Affordable Housing (AH) and in the broader sense of housing that is attainable for first-time buyers and others for whom home-ownership is out of reach, and on whom the village's services (such as schools) rely. Within the housing target for Lymm set by Warrington Borough Council, the group is seeking to determine the most appropriate mix of tenures that should be provided to meet local need now and in the future.

RQ2: What Affordable Housing and other market tenures should be included in the housing mix?

3.2.3 Quantity of housing to provide

49. Paragraphs 65 and 66 of the NPPF 2019 require Local Authorities to provide neighbourhood groups with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
50. Warrington has fulfilled that requirement by providing Lymm with a definitive figure of 430 additional dwellings to be accommodated within the Plan area by the end of the Plan period, which is the same for Lymm as Warrington.
51. Given that the NPPF requirement has already been fulfilled, the question of how many houses to plan for has already been answered. It is therefore outside the scope of this Housing Needs Assessment; for this reason, the issue of quantity has been excluded from the Research Questions.

3.3 Relevant data

3.3.1 The Local Authority evidence base

52. Planning Practice Guidance (PPG) states that those developing a Neighbourhood Plan can refer to existing needs assessments prepared by the Local Authority (LA) as a starting point. As Lymm NA is located within the Borough of Warrington, we therefore turned to the Warrington Strategic Housing Market Assessment (SHMA), published in 2019, which covers the entire Borough and informs emerging housing policies at the LA level, including AH policy.
53. The purpose of the SHMA is to provide a strategic view of housing supply and demand in all housing sectors over the emerging Local Plan period 2017-2037 and to provide the LA with a comprehensive understanding of the dynamics and segments of the functional housing market of the Borough of Warrington, which includes Lymm.
54. The SHMA 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, particularly in relation to the RQs considered in this study.

3.3.2 Other relevant data

55. In addition to the SHMA, we have gathered a range of other data sources to ensure our study is robust and locally-specific for the purposes of developing policy at the NA level. This includes Census data relating to demography, household occupation patterns, and changes in various metrics over time. Other data sources have been referenced as appropriate throughout the study.
56. The Group also conducted a community engagement and consultation event in October 2017, and the results of 322 questionnaires have been compiled and provided for reference in this HNA. Feedback on the topic of housing was collected, and this will be drawn upon where relevant. A number of other useful documents providing local insight and context were also provided by the Group and have helped to inform this study.

4. RQ 1: Type and size

RQ1: What type (detached, semi-detached, terrace, bungalow, or flat) and size (number of bedrooms) of housing is most appropriate to meet local needs, now and in future?

58. Planning Practice Guidance (PPG) recommends an assessment of existing housing provision and its suitability to address current and future community need with regard to demographic shifts in age and household composition. Accordingly, we start with a review of the type and size profile of the existing housing stock in Lymm. Demographic shifts in age and household composition will then be considered. Finally, an estimation of future demand for housing by type and size will be determined.

4.1 Background and definitions

59. Before beginning our consideration of type and size, it is important to understand how different types of households (groups of people living at the same address) occupy their homes. Crucially, household 'consumption' of housing (in terms of housing size) tends to increase alongside wealth and income, with the highest earning households consuming relatively more, i.e. larger, housing than those on lower incomes. Similarly, housing consumption tends to increase with age, such that older households tend to have larger homes than younger households, often as a result of accumulated wealth and expanding families.
60. However, smaller households (those with lower numbers of inhabitants) may also choose to live in larger homes than their needs would suggest, and thus would be defined in Census terms as under-occupying their homes. This is a natural feature of the housing market, but it can distort how future housing need is understood: demographics often present a very different picture than that suggested by market dynamics and signals, and it is helpful to bear in mind in this way that housing **need** is different from housing **choice**.
61. In order to understand the terminology used to describe the size of dwellings, it is important to note that the number of rooms recorded in Census data excludes some rooms such as bathrooms, toilets and halls, and also to note that data on dwelling size is collected on the number of rooms being occupied by each household. In the section that follows, 'dwelling sizes' in terms of rooms (as opposed to bedrooms) should therefore be understood as follows³:
- one room = bedsit;
 - two rooms = flat/house with one bedroom and a reception room/kitchen;
 - three rooms = flat/house one to two bedrooms and one reception room/kitchen;
 - four rooms = flat/house with two bedrooms, one reception room and one kitchen;
 - five rooms = flat/house with three bedrooms, one reception room and one kitchen;
 - six rooms = house with three bedrooms, two reception rooms and a kitchen, or four bedrooms, one reception room and a kitchen; and
 - seven or more rooms = house with four or more bedrooms.
62. It is also useful to clarify the Census terminology around dwellings and household spaces, which can be confusing in the context of flats, shared or communal dwellings, and houses in multiple occupation – types that typically come under the private rented sector. Dwellings are counted in the Census by combining address information with responses stating whether or not a household's accommodation is self-contained,⁴ and 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.
63. The key measure of whether a dwelling is shared or unshared relates to the Census definition of a household. A 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."⁵ 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.
64. Whilst it is unlikely that these issues are of particular relevance to Lymm's own context, it is still helpful to understand the terms as a background to the data reviewed in this chapter.

³ <https://www.nomisweb.co.uk/census/2011/qs407ew>

⁴ <https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form>

⁵ Ibid.

4.2 Existing types and sizes

4.2.1 Type

65. Table 4-1 below shows that the housing type mix in Lymm is relatively similar to that of the wider Borough of Warrington, aside from Lymm's greater share of detached properties and lower share of terraced properties. The most common dwelling type at all three geographies (including England as a whole) is semi-detached houses. Both Lymm and Warrington have a lower proportion of flats than the national average.

Table 4-1: Accommodation type per household space, 2011

Dwelling type		Lymm	Warrington	England
Whole house or bungalow	Detached	30.4%	23.7%	22.4%
	Semi-detached	39.7%	41.0%	31.2%
	Terraced	18.9%	24.1%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	9.3%	9.5%	16.4%
	Parts of a converted or shared house	1.0%	1.2%	3.8%
	In commercial building	0.7%	0.5%	1.0%

Source: ONS 2011, AECOM Calculations

4.2.2 Size

66. Rooms per household is the most accurate proxy for size of dwelling for which data is available. Table 4-2 below sets out the distribution of the number of rooms by household space in Lymm and Warrington. It shows that dwellings in Lymm are generally larger than across Warrington as a whole: whereas Lymm has a lower proportion than Warrington of all dwelling sizes up to six rooms, it has substantially higher proportions of dwellings with seven or more rooms.

Table 4-2: Number of rooms per household space, 2011

Number of rooms	Lymm	Warrington
1 room	0.1%	0.2%
2 rooms	1.1%	1.5%
3 rooms	5.4%	8.8%
4 rooms	13.5%	14.6%
5 rooms	19.0%	26.9%
6 rooms	20.6%	21.9%
7 rooms	15.4%	11.4%
8 rooms	10.4%	7.5%
9 or more rooms	14.6%	7.2%

Source: ONS 2011, AECOM Calculations

67. It is also useful to compare this data with Census estimates of the number of bedrooms occupied by each household in Lymm. Table 4-3 below summarises the proportion of households occupying each size of home in terms of the number of bedrooms. This data accords with the findings displayed in Table 4-2: Lymm households are far more likely to occupy dwellings of four or more bedrooms, while Warrington households are more likely to occupy dwellings of three bedrooms or fewer. In both geographies, the most common size of dwelling contains three bedrooms.

Table 4-3: Number of bedrooms per household space, 2011

Number of bedrooms	Lymm		Warrington	
	Frequency	%	Frequency	%
All categories: number of bedrooms	5,171	100%	85,140	100%
No bedrooms	8	0.2%	140	0.2%
1 bedroom	272	5.3%	7,697	9.0%
2 bedrooms	1,167	22.6%	20,122	23.6%
3 bedrooms	2,063	39.9%	39,931	46.9%
4 bedrooms	1,174	22.7%	13,967	16.4%
5 or more bedrooms	487	9.4%	3,283	3.9%

Source: ONS 2011, AECOM Calculations

68. In Table 4-4 below we set out how the data pertaining to the number of rooms presented in Table 4-2 has changed over the 2001-2011 intercensal period. This shows that the distribution of the Lymm housing stock has experienced relatively significant change over this period, with particularly high growth in three-, seven- and eight-room dwellings and a substantial decrease in the number of one-room dwellings.
69. Table 4-4 shows that the evolution of Lymm's dwelling mix in terms of size is broadly in alignment with trends observed for the wider geographies of Warrington and England, aside from faster rates of increase in the dwelling size categories noted above.

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

Number of Rooms	Lymm	Warrington	England
1 room	-36.4%	-32.6%	-5.2%
2 rooms	16.0%	13.5%	24.2%
3 rooms	46.6%	33.1%	20.4%
4 rooms	3.1%	-1.2%	3.5%
5 rooms	-2.6%	-1.1%	-1.8%
6 rooms	2.3%	2.5%	2.1%
7 rooms	41.7%	21.5%	17.9%
8 or more rooms	44.8%	37.6%	29.8%

Source: ONS 2011, AECOM Calculations

4.3 Household composition and age structure

70. Having established the current profile of Lymm's housing stock and how it has changed over time, we now turn to the composition of households living in the area. Projecting forward the age structure and size of households is necessary to determine the size of future housing needed in Lymm.

4.3.1 Current household composition

71. In Table 4-5 overleaf, we present data relating to household composition drawn from the 2011 Census. From this it is possible to identify how household composition in Lymm differs from that of the wider Borough. However, patterns of household composition are generally very similar across the two geographies. Lymm has marginally fewer one person households and more families, as well as more family households aged 65 and over, and fewer households with non-dependent children than Warrington.

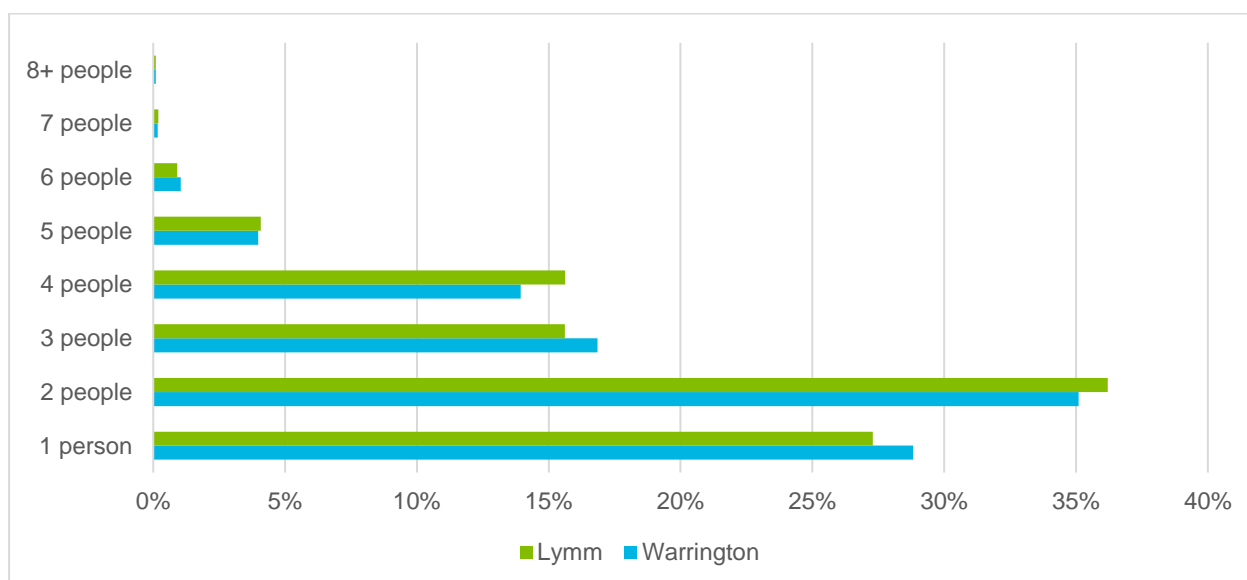
Table 4-5: Household composition (by household), 2011

Household type		Lymm	Warrington	England
One person household	Total	27.3%	28.8%	30.2%
	Aged 65 and over	11.9%	11.6%	12.4%
	Other	15.4%	17.2%	17.9%
One family only	Total	69.3%	66.5%	61.8%
	All aged 65 and over	10.6%	8.3%	8.1%
	With no children	19.5%	18.9%	17.6%
	With dependent children	31.4%	29.1%	26.5%
	All children non-dependent	7.8%	10.2%	9.6%
Other household types	Total	3.4%	4.7%	8.0%

Source: ONS 2011, AECOM Calculations.

72. It is also useful to consider household size (by number of people) alongside household composition in order to get a fuller picture of differences in occupation patterns between Lymm and Warrington Borough.⁶ Figure 4-1 below indicates again that the two geographies are broadly well aligned, although Lymm has higher proportions of two and four person households while Warrington has higher proportions of one and three person households. Overall, these differences are relatively insignificant in terms of how they will translate into housing need.

Figure 4-1: Household size, 2011



Source: ONS 2011, AECOM Calculations

73. Census data also allows us to study changes in household composition between 2001 and 2011. The changes in household composition observed in Lymm include some relatively significant differences from those observed for the wider Borough. The data is presented in Table 4-6 below.
74. The proportion of one person households increased faster in Lymm than in Warrington, with the number of 65 and over households remaining stable in Lymm while contracting in Warrington, and much faster growth in under-65 households in Lymm. The contrast between Lymm and England as a whole is even stronger, with more than double England's rate of growth in this category seen in Lymm over the intercensal period.
75. Another notable contrast is the significant increase in family households in Lymm, with particularly high growth in over-65 families and a rate of growth in families with dependent children that was more than five times faster than that seen in either Warrington or England. By contrast, the number of families with non-dependent children contracted in Lymm while growing in both wider geographies.

⁶ The size of a household is equal to the number of usual residents in the household. Visitors staying at an address at the time of the Census do not contribute to that household's size because they are counted in the household of their place of usual residence.

76. Finally, Lymm’s population of other household types (such as multi-family and shared households) increased at a faster rate than in both the Borough and England. This is unusual for relatively rural parishes, which are less likely to experience rising demand for house sharing and student living than are cities.
77. However, like the other trends identified above, much of Lymm’s higher rates of growth are attributable to the parish’s generally higher growth in the number of dwellings over the intercensal period. Lymm saw a 17% increase in the number of dwellings over that period, while Warrington saw a 10% increase.
78. In this context, it is interesting to note what types of households are arriving to take up Lymm’s stock of new dwellings: primarily under-65 one person households, families with children, and older families. Looking at rates of change in the number of rooms per household space over the intercensal period, Lymm saw particularly high growth in three-room dwellings (47%), seven-room dwellings (42%) and eight- or more room dwellings (45%), compared with very low growth in four- (3%), five- (-3%) and six-room dwellings (2.3%).
79. In order to accommodate the young families yet to have children and older one person households, both of which experienced particularly slow growth over the intercensal period despite a substantial injection of new housing supply, it would be advisable to promote a more balanced mix of dwelling sizes more suitable to their needs, and to reduce the focus on large dwellings.

Table 4-6: Rates of change in household composition, 2001-2011

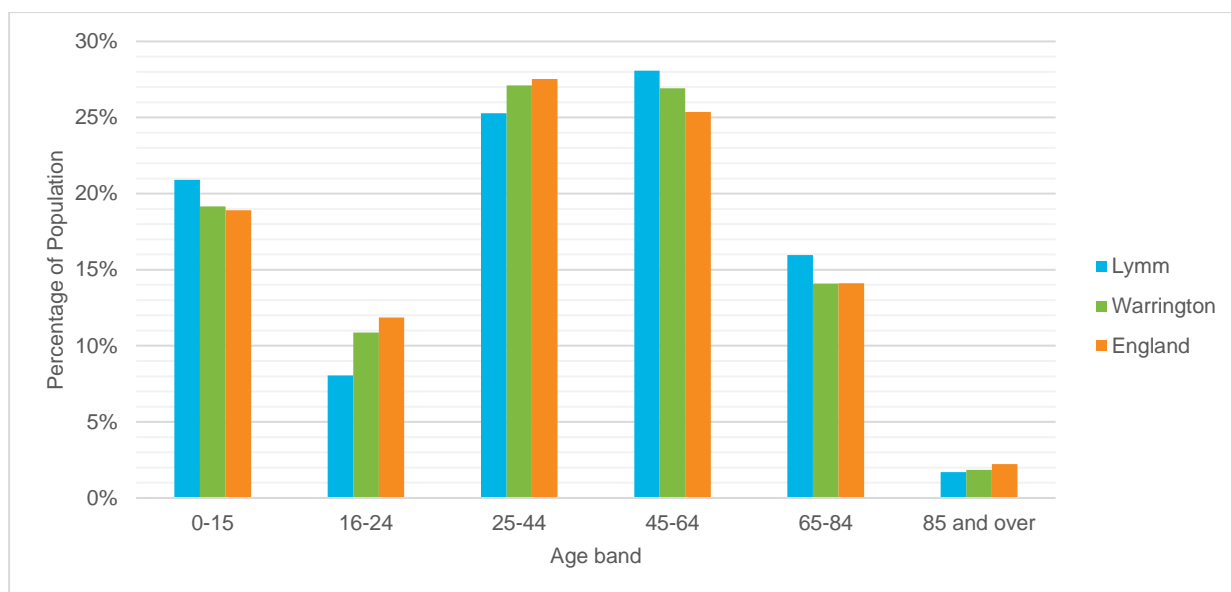
Household type		Lymm	Warrington	England
One person household	Total	19.0%	14.4%	8.4%
	Aged 65 and over	0.3%	-2.0%	-7.3%
	Other	39.0%	28.8%	22.7%
One family only	Total	15.1%	6.0%	5.4%
	All aged 65 and over	19.8%	7.9%	-2.0%
	With no children	3.8%	9.2%	7.1%
	With dependent children	28.8%	4.0%	5.0%
	All children non-dependent	-4.8%	4.4%	10.6%
Other household types	Total	38.3%	26.3%	28.9%

Source: ONS 2001 and 2011, AECOM Calculations

4.3.2 Household age bands

Housing need in terms of type and size is also strongly influenced by the age of householders and the wider population. Figure 4-2 overleaf presents the age distribution of Lymm’s residents at the time of the 2011 Census, compared with those of Warrington and England. It provides a mixed picture: Lymm has a higher proportion of 0-15 year-olds than both wider geographies, but lower proportions of 16-24 and 25-44 year olds. The parish also has a larger 45-64 and 65-84 population but a lower proportion of people aged 85 and over, though this oldest category can expect to grow considerably as the significant 45-84 population ages in the coming decades.

Figure 4-2: Age distribution, 2011



Source: ONS 2011, AECOM Calculations

4.3.3 Future household composition and age mix

80. Having analysed the age structure of the current population in Lymm, we now turn to how it has changed over the intercensal period and how it is projected to evolve in future.
81. Table 4-7 below presents the changes in the number of people in different age brackets between 2001 and 2011. Lymm's patterns of population growth are quite different to those of Warrington, particularly in Lymm's sharper increase in the 0-15 population (which is consistent with the strong growth in families with dependent children over the same period), while the same age group has in fact declined in Warrington and is stable across England as a whole.
82. There was also notably faster growth in the 16-24, 65-84 and 85 and over population in Lymm compared with Warrington, although this is again in part due to the overall growth in the population over that period. Lymm's population expanded by 17% compared with just 6% in Warrington.
83. Interestingly, Lymm's increase in population and number of dwellings over the intercensal period was consistent at 17%, while Warrington experienced a 10% increase in the number of dwellings but only a 6% increase in the population those dwellings accommodated. This is largely a consequence of the larger dwellings that were supplied in Lymm, enabling the parish's average household size to increase marginally from 2.38 people per household to 2.39, while Warrington's declined from 2.45 to 2.38.

Table 4-7: Rate of change in the age structure of the population, 2001-2011

Age group	Lymm	Warrington	England
0-15	24.9%	-2.7%	1.2%
16-24	24.8%	16.1%	17.2%
25-44	8.1%	-5.4%	1.4%
45-64	12.5%	15.1%	15.2%
65-84	28.8%	18.0%	9.1%
85 and over	12.8%	28.4%	23.7%

Source: ONS 2001 and 2011, AECOM Calculations

84. In order to develop an understanding of how the age structure of the population will change over the Plan period, it is necessary to refer to Borough-level data, because population projections are not available at the parish level. Drawn from the MHCLG 2014-based Household Projections, Table 4-8 below sets out forecast changes to the age structure of the population in Warrington between 2014 and 2039 (the most distant year for which population projections are available). Percentage change has been calculated from 2011 Census data because that is considered to be more accurate than the 2014 estimates.

85. This data also pertains to the Household Reference Person (HRP) – the individual previously known as the head of the household. The HRP is the sole occupant or most economically active person in households containing more than one person (and usually the most economically active parent in family households). The age of the HRP permits a more nuanced analysis of occupation patterns, and therefore housing need, associated with Lymm households at different life stages.
86. The data shows a decline in the younger population, moderate growth up to the age of 64, and significant growth among those aged 65 and over. This represents a relatively significant shift from the change that took place in the intercensal period, in which growth was still taking place among the 16-24 age bracket and the older age groups were expanding at a slower rate.
87. Given that over the intercensal period Lymm continued to replenish its younger population and saw slightly slower growth among the older population than Warrington, it is reasonable to expect the ageing of Lymm’s future population will be less marked than the projection for Warrington given in Table 4-8. That said, Lymm’s 29% growth in the 65-84 population over the intercensal period will lead to faster growth in the 85 and over age bracket over the Plan period.

Table 4-8: MHCLG Household projections for Warrington by household age

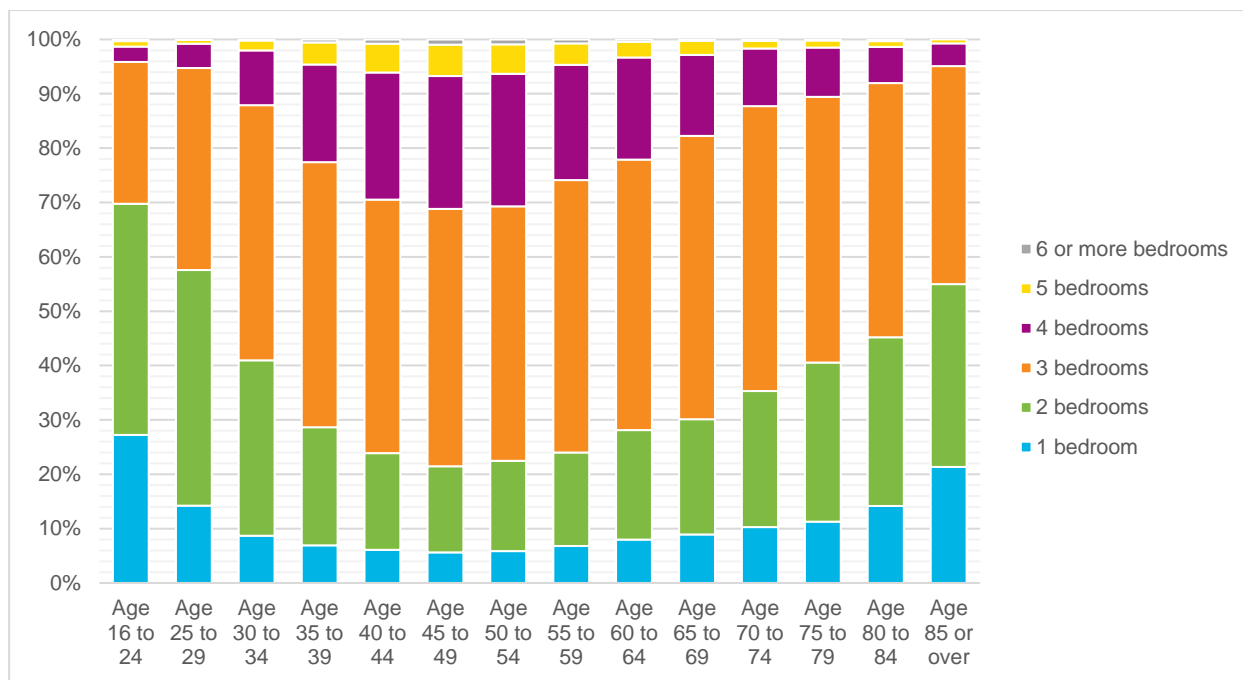
	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	2,923	11,303	35,189	14,513	21,212
2014	2,583	11,427	34,960	14,386	24,591
2039	2,754	9,992	37,253	16,362	39,475
2011-2039 % increase	-5.8%	-11.6%	5.9%	12.7%	86.1%

Source: MHCLG 2014-based household projections, ONS 2011

4.4 Current patterns of occupation

88. To estimate the housing mix needed by the end of the Plan period we adopt a (reasonable) approach which assumes 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, it is assumed that the projected growth in households aged over 65 will lead to an increase in the need for the sizes of housing currently occupied by households of that age.
89. Size of housing is strongly correlated with household life stage. However, no data on housing size occupation by the age of the HRP is available at the parish level, so Borough-level data will again need to be used as a proxy. That data is presented in Figure 4-3 overlaid, showing the size of housing occupied by different age groups.
90. Three-bedroom dwellings are the most common dwelling size for all but the youngest two age bands considered here. While a majority of Warrington households under the age of 30 live in one- or two-bedroom dwellings, the proportion of households occupying these smaller dwellings declines steeply as households age, before gradually increasing from the age of 50-54 until they are again occupied by a majority of households only from the age of 85 onwards, suggesting that downsizing is a slow and not particularly common transition. The occupation of dwellings with four or more bedrooms peaks at age 45-49 and declines more gradually than its rapid onset. The occupation of one-bedroom dwellings is consistently low in line with the fact that just 9% of dwellings in Warrington contain only one bedroom.

Figure 4-3: Age of HRP to dwelling size in Warrington, 2011



Source: ONS 2011, AECOM Calculations

4.5 Dwelling mix determined by life-stage modelling

91. In this section, we provide an estimate of the mix of dwelling sizes needed by the end of the Plan period in 2037 by matching future household composition to current patterns of occupation by age (working from the reasonable assumption set out at the start of this section that the same household types are likely to wish to occupy the same size of homes in 2037 as they did in 2011).
92. Firstly, we use household projections provided by MHCLG to understand the distribution of Warrington households by the age of the HRP at the end of the Plan period. This data is only available at the Borough level and for the years 2014 and 2039. Therefore, the distribution of households by the age of the HRP in 2037 has been estimated by dividing the total projected increase by the number of years between 2014 and 2039 and subtracting two years' worth of annualised population growth from the 2039 figure. These estimates, only slightly different from that in Table 4-8, are given in red in Table 4-9 below.

Table 4-9: Projected distribution of households by age of HRP, Warrington

	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	2,923	11,303	35,189	14,513	21,212
2014	2,583	11,427	34,960	14,386	24,591
2037	2,740	10,107	37,069	16,204	38,285
2039	2,754	9,992	37,253	16,362	39,475

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

93. At this point it is necessary to formulate an estimate of the change to the age structure of the population in Lymm. To do so, the projected percentage increase between 2011 and 2037 for each age bracket in Warrington, derived from the data presented in Table 4-9 above, is applied to the 2011 population of Lymm. The results of this calculation are presented in Table 4-10 overleaf.
94. It is immediately confirmed from this projection that Lymm's population is ageing: its demographic profile in 2037 is dominated by the fast-growing 65 and over age group, followed by the 35-54 population (which is relatively stable). In fact, the combined population of these two age bands (35-54 and 65 and over) represents 76% of the entire population of the NA in 2037, while the population aged 24 and under represents just 1% of the total projected population. We should therefore expect the dwelling size preferences of these households to have by far the greatest impact on the ideal dwelling mix proposed at the end of this section.

Table 4-10: Projected distribution of households by age of HRP, Lymm

	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	72	496	2,249	935	1,419
2014	64	501	2,234	927	1,645
2037	68	444	2,369	1,044	2,561

Source: AECOM Calculations

95. In Table 4-11 below, we apply the same dataset as that presented in Figure 4-3 and set out the distribution of dwellings of different sizes occupied by Warrington residents according to the age of the HRP.

Table 4-11: Age of household reference person to size, Warrington

	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
1-bed	27.2%	11.2%	6.1%	7.4%	12.1%
2-bed	42.5%	37.3%	17.8%	18.7%	26.8%
3-bed	26.1%	42.5%	47.4%	50.0%	49.2%
4-bed	2.8%	7.6%	22.7%	20.0%	10.1%
5+ bed	1.3%	1.5%	6.0%	4.0%	1.8%

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

96. Having established the projected number of households in Lymm by each life stage at the end of the Plan period in 2037 (Table 4-10), and the preference shown by Warrington households at different life stages towards dwellings of different sizes (Table 4-11), it is now possible to formulate an estimate of the 'ideal' mix of dwellings sizes required to accommodate Lymm's future population.
97. From there, we can develop a recommendation as to how the housing stock should evolve in terms of size over the Plan period to overcome any misalignments between the existing supply of dwellings and expected demand.
98. Table 4-12 below takes the projected population falling into each age band in Lymm, and then apportions those households among the different sizes of dwellings according to the preferences expressed by households at Borough level. The sum of the households requiring each size of dwelling provides the recommended size distribution.
99. As noted previously, because more than three-quarters of the 2036 population is projected to be aged 35-54 or 65 and over, the dwelling size preferences of those two age cohorts have an outsized impact on the total recommended dwelling mix, while the 1% of the population aged 24 and under (the group most likely to favour one-bedroom dwellings) exert a negligible impact.
100. As three-bedroom dwellings are the most popular dwelling size among both groups, they dominate the recommended dwelling mix, with two-bedroom dwellings the next most popular option (due to the tendency to downsize among the largest 65 and over group). More four-bedroom units than one-bedroom units are required (due to the prevalence of the family-aged 35-54 population and the absence of younger independent households), and very few dwellings with five or more bedrooms are required.

Table 4-12: Ideal size distribution in Lymm by life stage, 2037

	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	Total
Households in 2037	68	444	2,369	1,044	2,561	
1-bed	18	50	144	77	309	599
2-bed	29	165	422	195	686	1,498
3-bed	18	189	1,122	522	1,261	3,111
4-bed	2	34	538	209	258	1,040
5+ bed	1	6	143	42	46	238

Source: Census 2011, AECOM Calculations

101. We are now able to compare Lymm's actual housing mix in terms of size in 2011 with the projected requirement in 2037 based on the estimates set out above. Table 4-13 overleaf indicates that the distribution of dwellings should be

weighted much more towards the medium and smaller end of the size spectrum, with many more three-bedroom dwellings, an increased focus on one-bedroom dwellings, and a lower proportion of dwellings with four or more bedrooms.

Table 4-13: Size distribution in 2011 compared to ideal size distribution in 2037, Lymm

Number of bedrooms	2011		2037	
1-bed	272	5.3%	599	9.2%
2-bed	1,167	22.6%	1,498	23.1%
3-bed	2,063	39.9%	3,111	48.0%
4-bed	1,174	22.7%	1,040	16.0%
5+ bed	487	9.4%	238	3.7%
Total households (not counting those with 0 bedrooms)	5,171		6,485	

Source: Census 2011, AECOM Calculations

102. Table 4-14 below sets out the extent of the misalignment between the current stock in Lymm (as of the 2011 Census) and future demand for housing of different sizes, based on the preferences expressed by households at different life-stages.
103. This indicates that a 51% increase in the already prevalent stock of three-bedroom dwellings is required, along with roughly equal increases in the number of one- and two-bedroom homes, in order to rebalance currently very low levels of provision and thus to enhance significantly the affordability of local housing.
104. 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 four or more bedrooms, we have 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.
105. What emerges from this exercise is the recommendation that, in order to avoid misalignments between supply and demand and to re-calibrate the existing stock, 61% of homes in new developments should have three bedrooms, 19% should have two bedrooms, and another 19% one bedroom, with no further homes of five or more bedrooms required.

Table 4-14: Misalignments of supply and demand for housing in Lymm

Number of bedrooms	2011	2036	Change to housing mix	Recommended split
1-bed	272	599	327	19.2%
2-bed	1,167	1,498	331	19.4%
3-bed	2,063	3,111	1,048	61.4%
4-bed	1,174	1,040	-134	0.0%
5+ bed	487	238	-249	0.0%

Source: AECOM Calculations

106. It is important to note that this conclusion is at variance with the recommended dwelling mix by size proposed for Warrington in the SHMA for the period 2017-2037. The split for market homes proposed in the SHMA, reproduced in Figure 4-4 below, places greater emphasis on four- or more bedroom units at the expense of one-bedroom units – which we recommend for Lymm.
107. The discrepancy between the two recommendations is due largely to the fact that Lymm’s current stock of dwellings is much more heavily weighted towards larger units than that of Warrington (as we see in

108. Table 4-3), and therefore requires a more drastic recalibration away from larger units and towards the undersupplied category of one-bedroom units to achieve a similar overall balance. The SHMA's conclusions, of course, are based on the picture for Warrington as a whole, and in this sense it is perhaps not entirely surprising that conclusions based on Lymm alone will differ from them.

Figure 4-4: SHMA recommended dwelling mix by size for Warrington

Table 22: Estimated Size of Dwellings Needed 2017 to 2037 – Market Housing – linked to 945 dpa

	2017	2037	Additional households 2017-2037	% of additional households
1-bedroom	1,469	1,854	385	3.0%
2-bedrooms	13,535	16,607	3,072	23.7%
3-bedrooms	34,558	41,376	6,818	52.7%
4+-bedrooms	16,627	19,288	2,661	20.6%
Total	66,189	79,124	12,935	100.0%

Source: Housing Market Model

Source: Warrington SHMA, Table 22

109. The appropriate final step in the calculation for Lymm is to apply the recommended split of new dwellings by size to the number required over the remainder of the Plan period as set out in the site allocations of the emerging Warrington Local Plan: 430 dwellings. This is given in Table 5-15 below.

Table 4-15: Dwelling mix needed for new housing over the remainder of the Plan period

Number of bedrooms	Recommended split	Additional dwellings required 2018-2036
1-bed	19.2%	83
2-bed	19.4%	83
3-bed	61.4%	264
4-bed	0.0%	0
5+ bed	0.0%	0

Source: AECOM Calculations

110. This final recommendation is an approximation of future housing need that takes into account the local specificity of Lymm's population dynamics, as well as the broader tendencies of households across the wider Borough to occupy homes of various sizes at different life stages.

111. Such a distribution of new supply by size should help to address unmet demand from younger households and those intending to downsize. However, this recommendation should be applied with a degree of flexibility because it may not be reasonable in practice strictly to limit the provision of dwellings with four or more bedrooms, and in fact, such a restriction has the potential to negatively impact the viability of sites that could help to deliver Affordable Housing (AH) or other community priorities. It should also be noted that this report is concerned with demand in the sense of need rather than in the sense of the preferences of potential occupants, which will likely include demand for larger homes.

Downsizing

112. It is also worth noting that the propensity of households of different age bands to occupy different sizes of dwelling is not a pure expression of preference. It is also, of course, constrained by the actual housing stock on offer and affordability: households can only make choices based on the limited range of options available to them.

113. Although the housing market does to an extent ensure that supply reflects demand at the time of construction, the UK's housing stock has been built up over centuries. The total stock of housing that has been accumulated to the present day is therefore not necessarily well-aligned with today's demographic profile and consumer preferences.

114. One example of this misalignment, of particular relevance to Lymm, stems from the rapid ageing of the population. A 2018 poll of 3,000 UK residents aged 65 and over found that 38% would consider downsizing now, a further 10%

would do so if a stamp duty exemption or other tax incentive were introduced, and the total percentage of respondents considering downsizing is increasing at a rate of 4% per year.⁷

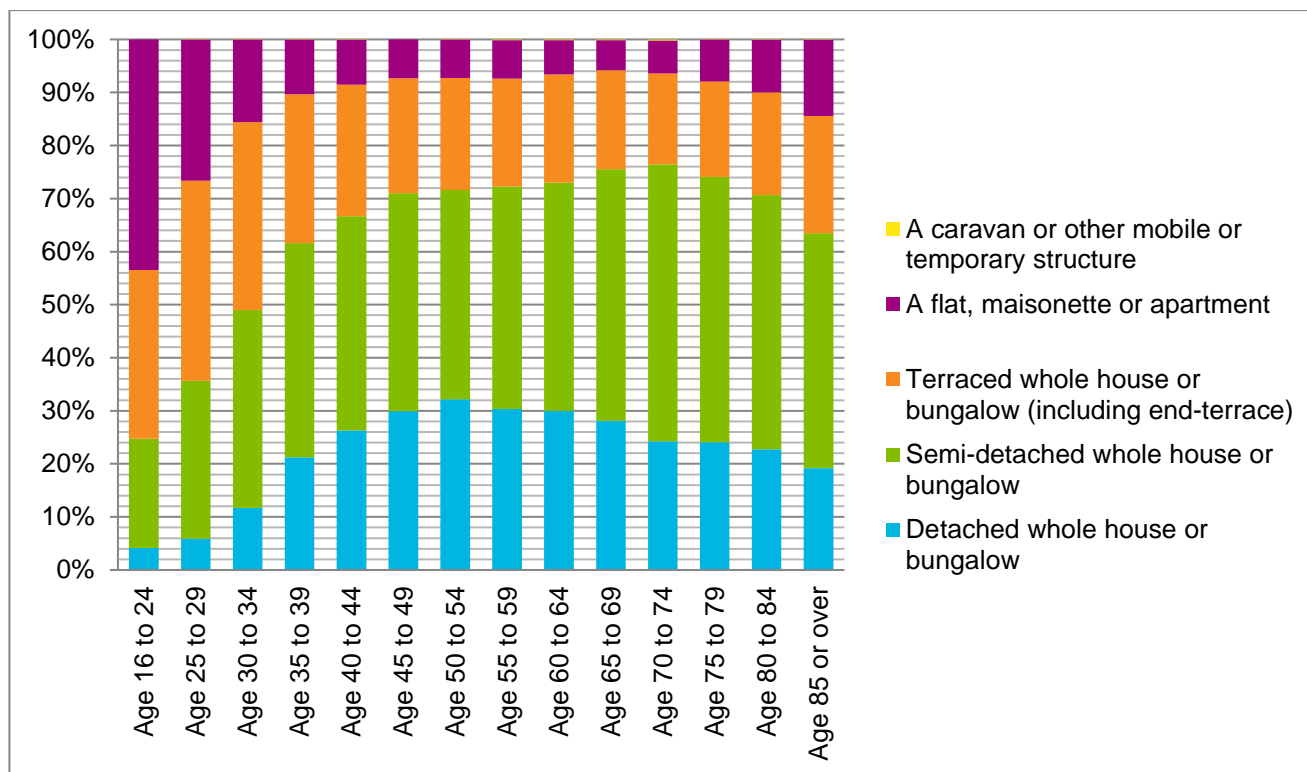
115. The obstacle for many potential downsizers is an undersupply of suitable smaller dwellings to move into, and the competition for such dwellings from newly forming households. Therefore, the 61% of Warrington Borough households aged 65 and over and living in dwellings with three or more bedrooms (see Table 4-11) are exhibiting a tendency to occupy large dwellings that may be a result of limited choice as well as preference. It may be that the number of one to two-bedroom dwellings recommended here should, for this reason, be higher, and the number of three-bedroom dwellings lower, in order to facilitate downsizing if this is found to be in demand among Lymm residents.
116. It is important to view the sizes of additional dwellings needed in Lymm over the Plan period in the context of such issues, and may also be useful to gather additional sources of data, such as household surveys about the desire and ability of Lymm residents to downsize to smaller properties, when planning for the future dwelling mix.

4.6 Type

117. Type of home (detached, semi-detached, terraced or flat) is a matter more of taste and of local context than need and is therefore of secondary importance in the context of a Housing Needs Assessment (HNA). Nevertheless, to the extent that it can be quantitatively assessed, this section considers any relevant implications for Neighbourhood Plan housing policy.
118. The propensity of different age groups to occupy different types of homes in Warrington Borough is set out in Figure 4-5 below, which shows that semi-detached dwellings dominate the current stock of housing, and that the preference for such types continues to increase with age, while the propensity of households to occupy detached homes clearly declines as they get older, with an increasing preference for terraces and flats.
119. It follows that, given the expected ageing of the population and the fact that Lymm already has a high proportion of detached homes compared with Warrington and England as a whole, the continued supply of detached homes could be limited in favour of higher density options.
120. In line with the recommendation above for no further homes with four or more bedrooms, it would be advisable, in theory, for Lymm to seek to boost the provision of terraced houses and apartments as well as semi-detached houses when meeting the need for smaller units. However, it is accepted that apartments tend not to be a popular type of dwelling in more rural contexts.
121. More appropriate to Lymm's context, and in line with the finding that 39% of households in 2037 are projected to be aged 65 or over, it is recommended that smaller bungalows in particular be promoted in order to meet the emerging need for accessible homes. Demand for additional bungalows was also a theme that emerged in the responses to the Lymm Neighbourhood Plan Preliminary Questionnaire.

⁷ McCarthy & Stone, *Retirement Housing: Integral to an ageing Britain* 2018. Note that this survey was conducted by a provider of specialist housing for older people, and should be approached with caution.

Figure 4-5: Age of household reference person by type in Warrington Borough, 2011



Source: Census 2011, AECOM Calculations

4.7 Conclusion – type and size

122. Lymm’s stock of existing housing is made up of larger dwellings than that of Warrington Borough, although the mix of dwelling types is relatively similar in both areas.
123. The composition of Lymm’s households is relatively well-aligned with its stock of large housing, as the parish contains a lower proportion of one person households and a higher proportion of families than both Warrington Borough and England. However, the number of one person households increased in Lymm over the intercensal period, and the parish population is ageing faster than that of the wider Borough.
124. Much of the new housing delivered in Lymm between 2001 and 2011 had more than seven rooms. While the provision of larger homes may be suitable for families, this pattern of supply potentially misses an opportunity to accommodate young families with no or few children (who may make up a declining share of households in the parish as a result of the lack of suitable housing), and the fast-growing population of older people who may be seeking downsizing options.
125. Having established this context, we gathered data on the projected population of the Borough by age, as well as the propensity of households in particular age bands to occupy particular sizes of dwelling. Applying this information to the demographic profile of Lymm itself permits a reasonable estimate of the age structure of the parish at the end of the Plan period, and the sizes of dwellings that its future population is likely to want to occupy.
126. Lymm’s demographic profile in 2037 is expected to be dominated by households aged 65 and over and those aged 35 to 54. Three-bedroom homes are particularly popular among both these dominant age bands, with the 35 to 54 group also likely to occupy larger dwellings and the 65 and over group expressing a strong preference for two-bedroom homes.
127. Given the fact that Lymm’s current dwelling stock is made up of larger dwellings compared with Warrington Borough, and that the parish’s ageing population is likely increasingly to favour smaller dwellings, it is logical that the recommended dwelling mix for new development over the Plan period should be focused on the provision of three-bedroom (61%) and one- and two-bedroom homes (29% in total).
128. We recommend combining the identified need for one- and two-bedroom dwellings into a combined target in order to allow for flexibility of application in relation to actual demand displayed in the market. This will also help to ensure that Lymm’s capacity for smaller units is not dominated by Affordable Housing (AH), and that sufficient market dwellings suitable to downsizing households and first-time buyers are available.

129. This proposed dwelling mix requires two further caveats. First, it excludes homes with four or more bedrooms because they are already relatively well-supplied. However, to prevent the delivery of such homes altogether would not be practical or help to facilitate a balanced community, so a degree of flexibility should be applied. For example, anecdotal evidence from local estate agents indicates that there is a level of demand for homes with four or more bedrooms, and limited demand for one-bedroom properties. This should be taken into account, and large dwellings should therefore still form part of the dwelling mix where appropriate.
130. Second, the comparatively lower emphasis on one- and two-bedroom dwellings may not accurately reflect the full extent of demand within the community for smaller units to which older households may wish to downsize. Equally, potential downsizers may in fact elect to move to a location with more appropriate services or may prefer to remain in mid- or large-sized units within Lymm. Should evidence come forward pertaining to the preferences of downsizing households, which may call for either a greater or lesser supply of smaller units, this should be taken into account alongside the findings of this study.
131. In terms of the types of dwellings required, some unmet demand for generally more affordable dwelling types, such as terraced homes, should be addressed. The size recommendation for one- and two-bedroom homes would help to achieve this. It is also advisable to promote the delivery of bungalows or other forms of age appropriate housing in order to meet the needs of the ageing population and to reflect the fact that other smaller dwelling types, such as apartments, may not in practice be popular market propositions in a rural parish like Lymm.

5. RQ 2: Tenure

RQ2: What Affordable Housing and other market tenures should be included in the housing mix?

5.1 Background and definitions

132. Tenure refers to the legal arrangements in place that enable a household to live in their home; it determines householder rights and influences the payments that are to be made in return for these rights. Broadly speaking, tenure falls into two categories: Affordable Housing (AH), in which households receive some sort of subsidy to enable them to live in their homes; and market housing, in which they do not.
133. We will address this question by examining the tenure of dwellings in the current stock and recent supply, and make an assessment, based on a reasonable interpretation of the evidence we have been able to gather, whether the continuation of these trends would meet future needs. Alternatively, we may identify that misalignments exist between the supply of different tenures of housing and local need. Such misalignments can justify policies that guide new development to prioritise certain tenures, so as to bring supply and demand into better alignment.⁸
134. It is necessary at this stage of the study to make clear the distinction between Affordable Housing in planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. We mean by this those forms of housing tenure that fall within the definition of Affordable Housing set out in the current National Planning Policy Framework (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 such as shared ownership, starter homes and discounted housing for market sale.⁹ To distinguish this from the colloquial definition of homes that are broadly within reach for the majority of the population, we refer to the latter as affordable market housing.
135. The definition of AH set out in the 2018 NPPF makes clear the government's commitment to home ownership but recognises the important role of Social, Affordable and Private Rent tenures for those not currently seeking home ownership.
136. It is important to note, however, that the 2012 version of the NPPF refers to the 'national rent regime' rather than 'Government rent policy'. It has been suggested that this change in wording may give central government, and by extension local authorities, wider flexibility in arriving at social rents.¹⁰
137. The revisions in the 2018 NPPF seek to broaden the definition of AH (it had been formerly narrowly defined to cover social and intermediate housing only) to include a range of low-cost housing opportunities for those aspiring to own a home, including Starter Homes.
138. In paragraph 64 of the revised NPPF, 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,¹¹ the assumption should be that 'major housing development' can be defined as sites of 10 or more units, and that affordable home ownership includes Starter Homes, Shared Ownership homes and homes available for discount market sale.

5.2 Current tenure profile

139. In order to set a baseline for our examination of tenure, it is necessary to present the current tenure profile of the NA based on the most recent reliable data. Figure 5-1 below presents Census data from 2011, which shows that Lymm's tenure profile is quite different from that of Warrington: though they share a similar rate of private renting, Lymm has a significantly lower rate of social renting and a higher rate of home ownership.
140. This finding aligns with the results of the Lymm Neighbourhood Plan Preliminary Questionnaire: of 304 respondents to a question relating to property ownership status, 300 respondents owned their own homes and just 4 rented.

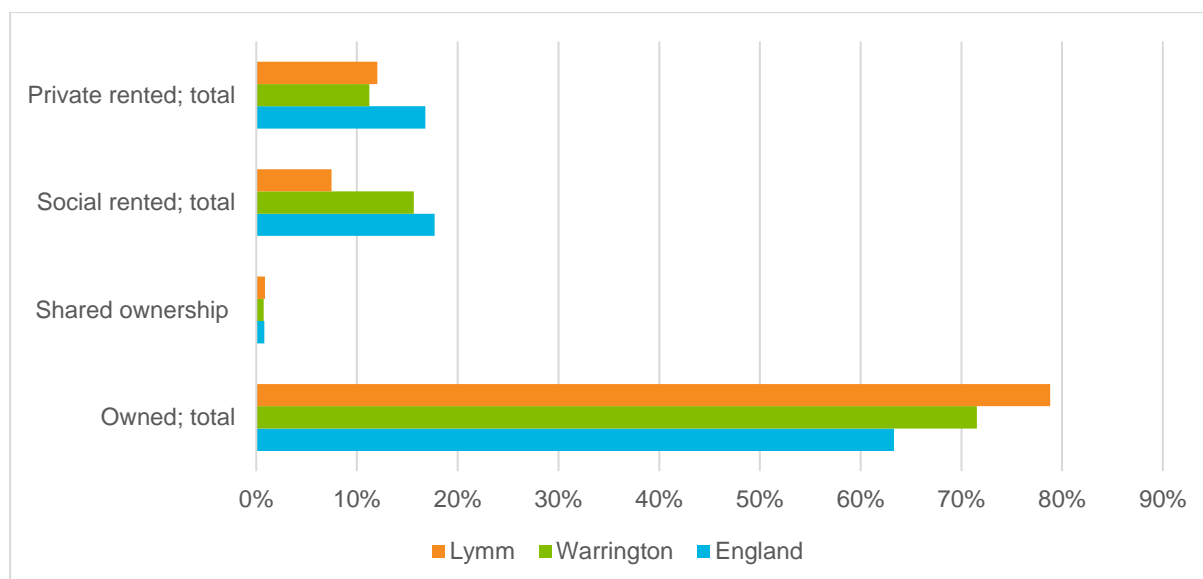
⁸ PPG Paragraph: 021 Reference ID: 2a-021-20160401

⁹ NPPF, July 2018

¹⁰ McGready, B, Affordable Housing and Planning, MBL seminars, April 2018

¹¹ PPG 031 Reference ID: 23b-031-20161116

Figure 5-1: Tenure (households), 2011



Source: Source: ONS 2011, AECOM Calculations

141. It is also important to consider how Lymm’s tenure profile has evolved over time. Table 5-1 below shows how tenure patterns changed between the 2001 and 2011 Censuses. The number of households owning their homes has increased faster in Lymm than Warrington Borough and England, while rates of social renting declined faster than in both wider geographies. More strikingly, the tenure of shared ownership has expanded considerably in Lymm, though this disproportionate rate of increase compared to the Borough is due to Lymm’s low starting base of 10 households in 2001. Private renting increased significantly at all three scales.
142. It would seem that with rates of social renting in decline and rates of private renting increasing in Lymm, households at lower income levels are either raising their incomes, leaving the area, buying their homes through Right to Buy, or turning to the lower end of the private rental market to meet their housing needs.
143. It is also possible that some of them now occupy shared ownership properties (33 households left the Social Rent tenure and 35 households took up shared ownership opportunities). As will be explored below, shared ownership is an increasingly popular way of meeting the needs of households who cannot afford home ownership through conventional market channels, and it is an encouraging sign that this tenure option is becoming more available in Lymm.

Table 5-1: Rates of tenure change, 2001-2011

Tenure	Lymm	Warrington	England
Owned; total	11.0%	3.8%	-0.6%
Shared ownership	350.0%	5.6%	30.0%
Social rented; total	-7.9%	-3.0%	-0.9%
Private rented; total	171.6%	189.9%	82.4%

Source: ONS 2001 and 2011, AECOM Calculations

5.3 What quantity of Affordable Housing is required in Lymm over the Plan period?

144. In Table 5-2 overleaf we formulate calculations, using PPG¹² as a starting point, to provide an estimate of the need for additional AH over the Plan period. The accuracy of the findings generated by the model is only as strong as the evidence we have available to us. For example, the Census 2011 is increasingly out-of-date and ideally more recent data relating to overcrowding and concealment would be helpful. However, given the test of proportionality for Neighbourhood Planning, and the need to conform with Local Authority strategic policies, the calculations set out in Table 5-2 are considered to provide a sound basis for both understanding and planning for community need for AH.

¹² Paras 024-026 Reference ID: 2a-026-20140306

145. The table shows that there are currently about 49 households in Lymm who are unable to access tenures suitable to their needs. The table suggests that, over the Plan period, a further 65 households will fall into need, producing a total AH need of 102 dwellings that should be addressed over the Plan period (after deducting the 12 units that have been completed since 2011).
146. This figure amounts to just under 24% of Lymm’s minimum housing target of 430 dwellings over the Plan period, and would therefore appear to be manageable through Warrington Borough’s Affordable Housing (AH) policy requirement of 30% of supply on new development sites, as long as all new developments are Local Plan policy compliant.
147. However, the 30% AH requirement set out in policy DEV2 does not apply to developments providing 10 dwellings or fewer. For developments of this size, no contribution to AH is required. As Lymm is a rural parish with comparatively few opportunities for largescale housing delivery, it may be expected that the majority of potential development sites will provide 10 dwellings or fewer. This may put the delivery of a sufficient quantity of AH at risk, and therefore justifies the firm application of policy DEV2’s 30% contribution within Lymm Parish.

Table 5-2: Affordable Housing model

Step	Stage	Source	Calculation	Stage and Step Description
1. CURRENT HOUSING NEED (GROSS)				
a	Homeless households	Census 2011	0	
b	Need on housing register	WBC	49	<p>Drawing upon data from the Warrington Housing Needs Register, we have been advised the number of households living in Lymm and currently applying to the Register in bands 1 and 2 comes to 49 (1 in band 1 and 48 in band 2).</p> <p>There are a further 783 applicant households who do not live in Lymm but have selected it as an area of choice. This indicates extremely high demand, but does not represent need within the community and will therefore not be counted here.</p> <p>Similarly, information from The Torus Group, among the largest housing associations operating in the Warrington area, indicates that 815 people out of a total waiting list of 2,650 have given the Lymm area as their first choice. Particularly high demand is evident among the 25-34 age group, and for one-bedroom properties followed by two-bedroom properties.</p>
c	Overcrowded households	Census 2011	15	We assume that the number remains the same as in 2011 at which point the Parish recorded 15 households containing more than one person per room; and that these households are not necessarily on the Housing Needs Register.
d	Concealed households	Census 2011	27	We assume that the number remains the same as in 2011, in which the Parish recorded 21 households who were concealed; and that these households are not necessarily registered on the Housing Needs Register.
e	Backlog need	AECOM Calculations	49	The combined total of 42 overcrowded and concealed households may well overlap with the 49 households on WBC’s housing register. To avoid the risk of double-counting, we therefore only count the higher number of 49 households on the Register.
2. NEWLY ARISING NEED				
f	Number of households in 2011	Census 2011	5,171	
g	Annual household formation between 2011 and 2039	2014-based HHP; AECOM Calculations	46	Taking households in 2011 in the NA as a proportion of all households in Warrington Borough (6.1% of 85,140); Lymm’s share of the Borough’s projected number of households in 2039 (105,836) will be 6,456 (rounded), an increase of 1,285 since 2011; which is an annual increase of 46 households (rounded).

Step	Stage	Source	Calculation	Stage and Step Description
h	New household formation between 2011 and 2019	AECOM Calculations	368	$g \times 8$ (number of years between 2011 – 2019)
i	Estimated current number of households	AECOM Calculations	5,539	Sum of f + h
j	New household formation between 2019 and 2037	AECOM Calculations	828	$g \times 18$ (no. years between 2019 – 2037)
k	Proportion of newly forming households unable to access market housing	AECOM Calculations	7.9%	On account of the lack of income data available at the parish level, the formula used to determine the proportion of households that form and are unable to access market housing is: the number of households in Social Rent at the time of the 2011 Census (386) + backlog need (49) divided by all current households (5,539).
l	Newly Arising Need	AECOM Calculations	65	$j \times k$
m	TOTAL AFFORDABLE HOUSING NEED		114	Sum of e + l
3. THE TOTAL CURRENT SUPPLY OF AH				
n	Current occupied stock	Census 2011	386	
o	Vacant units (surplus stock)	WBC	0	We are advised that WBC does not hold this information, but the surplus of demand on the housing register makes it unlikely that any units are sitting vacant.
p	AH built between 2011 and 2018	WBC	12	There have been 12 AH completions in Lymm since 2011 across two sites. Note also that commuted sums have been received through Section 106 agreements for developments in Lymm, but the triggers have not been met and the contributions therefore not yet received.
q	Total AH stock		398	Sum of n + o + p
r	PROJECTED REQUIREMENT OVER THE PLAN PERIOD		102	$m - p$. This model estimates there will be a need for 102 additional AH dwellings during the Plan period

5.4 Affordability

148. This section details the affordability requirements for each tenure in Lymm, with reference to average incomes, in order to assess which tenures of housing are within reach for the local population, and what future supply should consist of. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations below.

5.4.1 Income

149. Incomes are considered first, as they have an important relationship with the ability of households to exercise choice in the housing market and the level of need for AH products. For this, we use estimates of average household incomes in 2015/16 published by ONS at the Middle-layer Super Output Area (MSOA). As Lymm's parish boundary falls entirely and exclusively within one MSOA (Census code E02002610), the income data is specific to Lymm's residents.

150. The average net annual household income before housing costs (equalised) in 2015/2016 was £35,600, while the average total annual income was £54,700.¹³

¹³ 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.

151. Lymm's median income of £35,600 is within a similar range to that of the wider Borough of £32,900 presented in the SHMA. However, as will be shown in the forthcoming analysis, the cost of housing is significantly higher in Lymm than the wider Borough, meaning that those on average incomes may find it more difficult to access housing in Lymm than in the surrounding area.

5.4.2 Market housing

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

Market sales

153. The PT is helpful for understanding the affordability of market homes. In this sub-section, we consider two measures of housing price: the average (mean) house price, and the lower quartile (LQ) house price. The LQ house price is the price below which the cheapest 25% of houses may be bought and is a measure of 'entry-level' property in the area (cheaper, more affordable housing).¹⁴ An entry-level dwelling can also be understood as one suitable for a household comprising two or three individuals. In order to conform with the Government guidance on overcrowding, such a home would require three habitable rooms (a flat or house with two bedrooms). Entry-level properties can therefore also be understood as two-bedroom flats/houses.

154. To determine the price of market sale homes, we calculated the average price of houses sold in Lymm in 2018, using Land Registry data (Table 5-3 below). From this data it is immediately apparent that housing in Lymm is more expensive than that of the wider Borough, an observation that is supported by the fact that the most expensive home sold in Warrington Borough in 2018 was located in Lymm.

Table 5-3: Average prices for market sale homes, 2018

Average	Lymm price	Warrington price
Mean	£352,830	£214,711
Median	£277,000	£179,950
Lower quartile	£222,750	£125,000
Max	£1,470,000	£1,470,000
Min	£85,000	£37,500

Source: Land Registry

155. The PT is calculated by discounting 10% of the house price to reflect a mortgage deposit. The resulting cost is then divided by 3.5, because mortgage providers are typically prepared to lend up to 3.5 times household incomes.¹⁵

156. The PT for the average property price is £352,830 - 10% = £317,547; £317,547 / 3.5 = £90,728. A household would therefore need to be earning £90,728 annually to afford an average priced property.

157. The PT for an entry-level property is £222,750 - 10% = £200,475; £200,475 / 3.5 = £57,279. A household would therefore need to be earning £57,279 annually to afford an entry-level property.

158. Note that the lower quartile average price given here for Warrington is broadly in line with the average lower quartile sales price for of £120,300 cited in the SHMA.

159. For further comparison, the average prices for various house types in Lymm are presented below alongside the average prices for the same types in Warrington Borough.

Table 5-4: Average prices for dwelling types, 2018

Type	Price Lymm	Price Warrington
Detached	£556,095	£354,931
Semi-detached	£306,808	£199,595
Terraced	£261,848	£148,484
Flat	£167,362	£118,709
All	£352,830	£214,711

Source: Land Registry (data for 2018), SHMA (data for the year to March 2018)

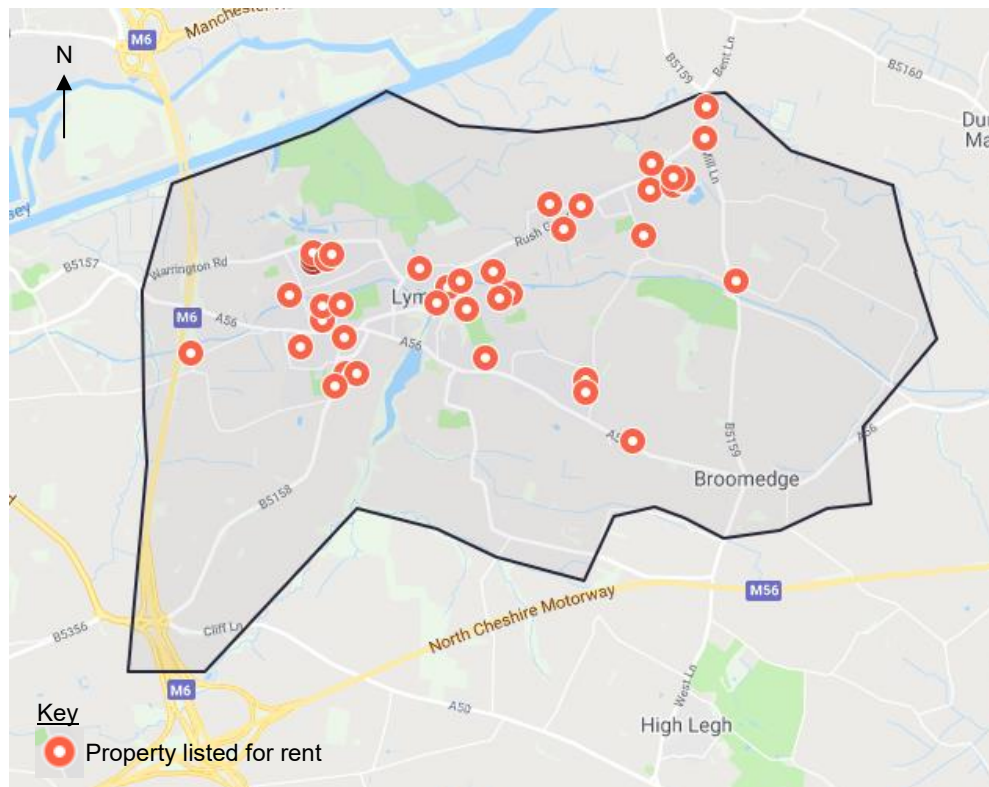
¹⁴ Definition of 'entry-level' taken from <https://www.ons.gov.uk/visualisations/dvc393/affordabilitycalculator/content.html>

¹⁵ Lending criteria: How much a mortgage provider is prepared to lend you (how many times income).

Private Rented Sector (PRS)

160. The IT is helpful for understanding the affordability of rental market homes. Again, we consider two measures of price: the average rent price and the LQ rent price. However, data is not available for long-term trends at the scale of the NA, making it impossible to calculate LQ rent price. Nonetheless, as mentioned above, an entry-level dwelling can also be understood as comprising a two-bedroom flat/house.
161. A search of properties available for private rent was made on www.rightmove.com, with the search radius presented in Figure 5-2 below.

Figure 5-2: Lymm rental market radius



Source: <https://www.rightmove.co.uk>

162. There were 42 properties listed as ‘for let’ or ‘let agreed’ at the time of search. The average rental price for each size of property, with the number in the sample, is presented in Table 5-5 below.
163. It is worth noting that the distribution of dwellings for rent by size is weighted more towards smaller dwellings than the overall stock of housing in the Ward, which aligns with the expectation that smaller and more affordable dwellings tend to be over-represented in the properties available to rent.

Table 5-5: Property rents in Lymm by number of bedrooms

	Number of properties	Average monthly rent
1-bed	4	£554
2-bed	18	£901
3-bed	19	£1,078
4-bed	2	£1,573
5-bed	1	£1,400

Source: <https://rightmove.co.uk>

164. We now determine the income needed to afford market rents. The IT is derived through the annualisation of the monthly rental cost. For the purpose of this exercise and in line with the SHMA, affordability is defined as spending 25% of income on housing costs.¹⁶

¹⁶ The SHMA states that “Rent levels in Warrington are generally low in comparison to those seen nationally (a lower quartile rent of £520 per month across England). This would suggest that a proportion of income to be spent on housing would be at the bottom end of the

165. The annualised average rents for each size of property in Lymm are given in Table 5-6 below, along with the income threshold needed to afford them, with no more than 25% of income spent on rent.

Table 5-6: Annualised Lymm rents and income thresholds

	Annualised rent	Income required
1-bed	£6,645	£26,580
2-bed	£10,817	£43,267
3-bed	£12,935	£51,739
4-bed	£18,870	£75,480
5-bed	£16,800	£67,200
Average all sizes	£11,854	£47,416

Source: <https://rightmove.co.uk>, AECOM Calculations

166. The average annual rent for Lymm is £11,854, and the income threshold is therefore £47,416.

167. The average annual entry-level rent in Lymm (the average rent for a two-bedroom dwelling) is £10,817, and the income threshold is therefore £43,267.

168. This is significantly higher than the indicative household income required for lower quartile private renting in Warrington (£23,760) that can be extrapolated from the average annual lower quartile rent of £5,940 in the SHMA. However, Borough-level lower quartile rents are understandably lower, since the larger sample size will include more lower-cost properties than the limited sample of units presently available in Lymm.

5.4.3 Affordable Housing

169. The tenures that constitute the new definition of AH within the NPPF are: Social Rent and Affordable Rent, Starter Homes, discounted market sales housing, and other affordable routes to home ownership.

170. This variety of AH tenures reflects an ambition by the Government to provide a pathway to home ownership to those who seek it, as well as introducing market principles into the provision of subsidised housing for rent. The aim is to divide AH 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.

171. A good example is the introduction of dwellings for Affordable Rent in 2012. Rent for this tenure is set at up to 80% of market rent including service charges or at the level of the Local Housing Allowance (LHA), whichever is lower. Labelled an 'intermediate' product, this would be suitable for people with an income that precludes them from eligibility for Social Rent dwellings (those dwellings where the rent is set in accordance with the Government's rent policy), but who cannot afford to access the private market.

172. The overall aim is to reduce the size of the group who are eligible for Social Rent dwellings to those who have, relatively speaking, very low household incomes. However, within this segment, market principles also apply, given the link between rents and size of dwelling, with a strong financial incentive for households to only occupy a dwelling deemed suited to their composition, based on an 'occupancy rating' formula set by the Government.

Social Rent

173. Rents in socially rented properties reflect a 'formula rent' based on a combination of individual property values and average earnings in each area, maintaining substantial discounts to market rents. As such, they are suitable for the needs of those on low incomes, and are subject to strict eligibility criteria.

174. To determine Social Rent prices, we have used the Statistical Data Return (SDR) from the Regulator of Social Housing. This data is only available at the Borough level, but operates as an acceptable proxy for Lymm given the shared demographic and employment characteristics identified in this study between the two geographies. SDR provides data about rents and the size and type of stock owned and managed by Private Registered Providers (PRPs) and is presented in Table 5-7 overleaf.

range. In the previous SHMA a threshold of 25% was used; given that there has been only a modest change in overall private rental housing costs over the past three years it seems prudent for consistency to continue using this figure."

Table 5-7: Warrington Borough Social Rent levels

Size	1 bed	2 beds	3 beds	4 beds	All ¹⁷
Average rent per calendar week	£72	£84	£92	£100	£84
Annual average rent	£3,729	£4,362	£4,796	£5,217	£4,387
Income needed	£14,918	£17,447	£19,186	£20,869	£17,548

Source: HCA, AECOM Calculations

Affordable Rent

175. Commentators have repeatedly raised concerns about Affordable Rent not constituting a realistic form of AH, given that in many areas it reduces rent to levels that are still beyond the means of the target group, i.e. those on incomes substantially below the mean.
176. To determine Affordable Rent prices we can also use the SDR, which provides the average rents collected by PRPs in Warrington. The data is presented in Table 5-7 below.

Table 5-8: Warrington Borough Affordable Rent levels

Size	1 bed	2 beds	3 beds	4 beds	All ¹⁸
Average rent per calendar week	£86	£102	£119	£133	£105
Annual average rent	£4,451	£5,305	£6,191	£6,934	£5,481
Income needed	£17,805	£21,218	£24,762	£27,735	£21,923

Source: HCA, AECOM Calculations

177. Warrington Borough’s LHA rates for 2019-20 are also provided in Table 5-10 below. Affordable Rent levels are set with reference to the housing allowance that will be paid to the tenant, and this measure is considered to be a more reliable and (because it is higher) conservative measure of the true affordability of the Affordable Rent tenure. A housing association would be within their rights to charge the full LHA amount, and so we will take forward the LHA-derived figure in the comparative analysis at the end of this chapter. Because a weighted average is not available, we use the cost of a two-bedroom unit in line with the proxy used elsewhere for an entry-level dwelling.

Table 5-9: Warrington Borough Local Housing Allowance levels

Size	1 bed	2 beds	3 beds	4 beds
Average rent per calendar week	£92	£109	£127	£175
Annual average rent	£4,763	£5,657	£6,550	£9,045
Income needed	£19,052	£22,627	£26,199	£36,181

Source: Warrington.gov.uk

Intermediate tenures

178. The term ‘intermediate housing’ describes 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. This can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not Affordable Rent.

Starter Homes

179. A Starter Home is a new build home with a value not exceeding £250,000 outside London, which is eligible only for first time buyers aged under 40.
180. The Housing and Planning Act 2016 (HPA) includes provisions to introduce a general duty on planning authorities in England to promote the supply of Starter Homes, and a specific duty to require a minimum number or proportion of Starter Homes on certain residential development sites. In paragraph 64 of the NPPF 2018, the Government introduced 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.”
181. This is a fulfilment of the direction of travel set in the Housing White Paper. It states that, “in keeping with our approach to deliver a range of affordable homes to buy, rather than a mandatory requirement for ‘Starter Homes,’ we intend to amend the NPPF to introduce a clear policy expectation that housing sites deliver a minimum of 10%

¹⁷ Weighted average

¹⁸ Weighted average

affordable home ownership units. It will be for local areas to work with developers to agree an appropriate level of delivery of 'Starter Homes', alongside other affordable home ownership and rented tenures."

182. This is a substantial watering-down of the Starter Home requirement as envisaged when policy contained in the Housing and Planning Act was first conceived. In effect, it leaves it to local groups, including neighbourhood planners, to decide and promote an appropriate level of affordable home ownership products, while taking note of the 10% policy expectation.
183. The decision whether to treat Starter Homes as AH should be determined by 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 affordable market housing for purchase.
184. In order to provide a conservative assessment of the suitability of Starter Homes, we propose to use the value we have estimated for an entry-level dwelling, which is £222,750.
185. Applying a discount of 20% results in an approximate selling price of £178,200. Allowing for a 10% deposit further reduces the remaining value of the property to £160,380. The PT at a multiple of 3.5 is £45,823.
186. It is understood, however, that the starter homes initiative is not currently implemented or deliverable. It is expected that any policy requirement for Starter Homes would, in the interim, go towards shared ownership, and it is therefore advisable to provide for flexibility within any proposals going forward.

Shared ownership

187. There were 45 households living in shared ownership dwellings in Lymm at the time of the 2011 Census which, as we have seen, represents a 350% increase on the 10 households doing so in 2001. Despite the relatively low incidence of the shared ownership tenure, its rapid expansion indicates the potential importance of its future role.
188. Shared ownership involves the purchaser buying an initial share in a property, typically between 25% and 75%, and paying rent on the remaining 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.
189. The share owned by the leaseholder can be varied by 'staircasing'. Generally, staircasing will be upward, thereby increasing the share owned over time. In exceptional circumstances 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 household income does not exceed £60,000.
190. To determine the affordability of shared ownership, calculations have been based on the entry-level house price in Lymm (£222,750). 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 IT for PRS).
191. A 25% equity share of £222,750 is £55,688, from which a 10% deposit of £5,569 is deducted. To secure a mortgage of £50,119 (£55,688 – £5,569), an annual income of £14,320 (£50,119 divided by the loan-to-value ratio of 3.5) is therefore needed. In addition to the mortgage costs, rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £167,063. An on-going annual rent equivalent to 2.75% of the value of the unsold equity is then assumed, which is £4,594, and requires an income of £18,377. Therefore, an income of around £32,697 (£14,320 + £18,377) is required to afford a 25% shared equity purchase of an entry-level dwelling.
192. The same calculation has been made for different initial share levels, and the results are presented in Table 5-10:

Table 5-10: Affordability calculator for shared ownership in Lymm

Purchase price:	£222,750	Minimum income needed	Mortgage	Income needed for mortgage	Annual Rent	Income needed for rent	Deposit required
Initial share	25%	£32,697	£50,119	£14,320	£4,594	£18,377	£5,569
	35%	£35,974	£70,166	£20,048	£3,982	£15,927	£7,796
	40%	£37,613	£80,190	£22,911	£3,675	£14,702	£8,910
	50%	£40,891	£100,238	£28,639	£3,063	£12,251	£11,138
	60%	£44,168	£120,285	£34,367	£2,450	£9,801	£13,365
	75%	£49,085	£150,356	£42,959	£1,531	£6,126	£16,706

Source: AECOM Calculations

Tenure comparison

193. We are now able to directly compare the cost of market rent, market purchase, Social Rent, Starter Homes, Shared Ownership at 25%, 50% and 75%, and Affordable Rent in Lymm, and the level of income needed to afford each of these tenure options. Table 5-11 below summarises the income required to afford each tenure.

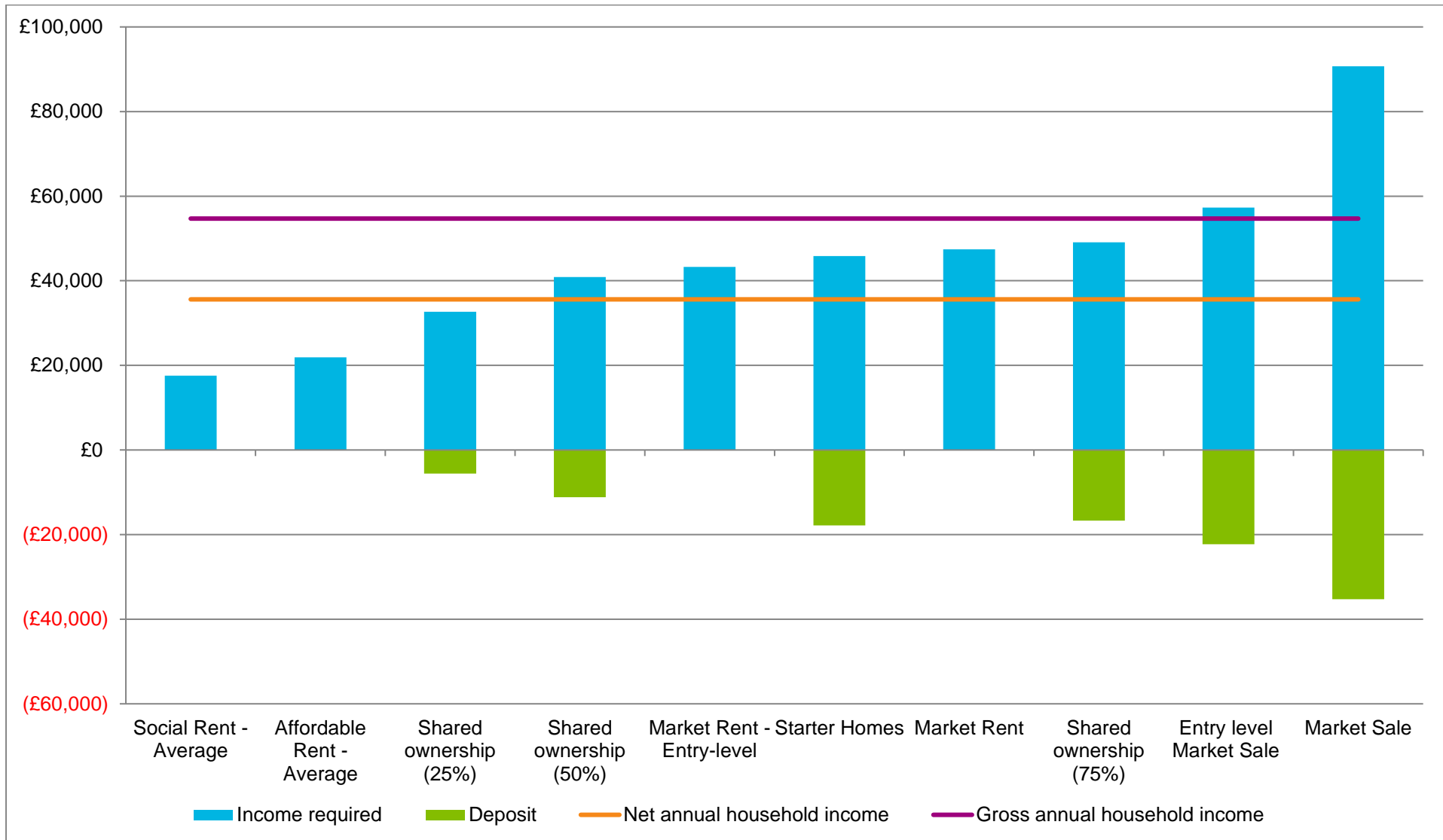
Table 5-11: Affordability thresholds (income required), Lymm

Tenure	Cost of purchase	Annual rent	Deposit	Income required
Social Rent - average	-	£4,387	-	£17,548
Affordable Rent - average	-	£5,657	-	£22,627
Shared ownership (25%)	£50,119	£4,594	£5,569	£32,697
Shared ownership (50%)	£100,238	£3,063	£11,138	£40,891
Market rent - entry-level	-	£10,817	-	£43,267
Starter Homes	£178,200	-	£17,820	£45,823
Market rent	-	£11,854	-	£47,416
Shared ownership (75%)	£150,356	£1,531	£16,706	£49,085
Entry level market sale	£222,750	-	£22,275	£57,279
Market sale	£352,830	-	£35,283	£90,728

Source: AECOM Calculations

194. The income required to afford these different tenures is then benchmarked against the average gross annual household income of £54,700 and the average net annual household income before housing costs of £35,600. Figure 5-3 overleaf shows that households earning around the average net household income can afford to occupy only the Social Rent, Affordable Rent, and shared ownership (at 25% share) tenures.

Figure 5-3: Lymm household income and affordability of housing tenures



Source: AECOM Calculations

5.5 Conclusion - tenure

195. We estimate that 49 Lymm households are currently unable to access housing that meets their needs, and that a further 65 households will be in need of AH over the plan period. If Lymm's housing target of 430 dwellings is provided in line with the 30% AH requirement of the Warrington Local Plan, a total of 129 AH units and 301 market units will be delivered over the Plan period.
196. As long as new development in the parish is Local Plan policy compliant in terms of the 30% proportion of AH, and sufficient sites come forward that are above the 10-dwelling size threshold required to deliver that AH contribution, this should be sufficient to meet the AH needs of the community, which amounts to 102 dwellings.
197. In terms of Lymm's current tenure profile, a higher proportion of households own their own home and a lower proportion live in Social Rented accommodation than Warrington Borough and England as a whole. Over the intercensal period, Lymm's frequency of ownership increased slightly, while both shared ownership and private renting expanded greatly, and Social Renting declined moderately.
198. This is perhaps surprising, given the fact that, according to our affordability analysis, the average net annual household income (at £36,500) is insufficient to occupy all tenures apart from Social Rent, Affordable Rent, and shared ownership at a 25% share.
199. Given the strong growth in private renting and shared ownership (from a low base), it is therefore likely that these tenures are becoming more common as a way to meet demand from those priced out of market home ownership, which is not close to being affordable for the vast majority of people on average incomes. However, entry-level market renting and other affordable routes to home ownership may be within reach of households on average incomes if they spend a greater share of their income on housing costs than our model assumes.
200. There is a clear need, then, for the relatively limited range of tenures available in Lymm to be diversified away from homes for market sale, and weighted more towards options that are either currently affordable to most households (such as Social and Affordable Rent), and other options that may become more affordable if supplied in greater numbers or smaller sizes. Achieving the Borough's target of 30% AH on all new developments should therefore be encouraged wherever possible.
201. In terms of the tenure split of Affordable Housing, it is important to note the affordability pressures that exist among households with below average incomes in Lymm, and the community is particularly concerned about meeting the needs of key workers and others who are increasingly at risk of having to move elsewhere. For this reason, we recommend that AH provision should focus on dwellings for Social and Affordable Rent – as is Warrington's priority.
202. However, there are clear benefits to increasing the supply of affordable routes to home ownership, particularly given that shared ownership at a 25% share is affordable to households on average incomes, and such tenures should form part of the dwelling mix for new development.
203. On the basis of the evidence we have gathered, the same split of AH tenures put forward in Policy DEV2 of the Warrington Local Plan is appropriate in Lymm. Alongside that tenure split below, we have put forward a suggested size breakdown for the two principle categories of tenure, which accounts for: the broad range of housing needs of those requiring Affordable Housing; the fact that one-bedroom shared ownership properties tend to be unpopular; and the broad application of the size recommendation for all dwellings put forward in the Type and Size chapter. Because AH itself constitutes approximately 30% of all housing, the total of 55% of AH comprised of one to two bedrooms equates to 16.5% of all housing, consequently leaving nearly half of Lymm's suggested allocation of 29% one- and two-bedrooms for market housing. This split is a broad recommendation only.

Table 5-12: Recommended tenure split (Affordable Housing)

	Tenure split	Size breakdown			
		1-bed	2-bed	3-bed	4-bed
Routes to home ownership, of which	34%		15%	15%	4%
Shared ownership	24%				
Starter Homes, if deliverable (if not then additional shared ownership)	10%				
Affordable Housing for rent, of which	66%	20%	20%	20%	6%
Affordable Rent (at 80% of market rent including service charges or local housing allowance (LHA) whichever is the lower)	66%				

Source: AECOM calculations

6. Conclusions

6.1 Overview

Table 6-1: Summary of issues affecting housing need in Lymm

Issue	Evidence	Conclusion
<p>Type and size</p>	<p>Lymm’s housing stock is composed of slightly larger homes than that of the wider Borough, and a relatively similar blend of dwelling types.</p> <p>There are more family households in Lymm than Warrington Borough, but while this trend is accelerating, Lymm is also experiencing faster growth than Warrington in its population of one person and older households.</p> <p>The parish’s demographic profile in 2037 is projected to be dominated by households aged 65 and over and those aged 35 to 54. Three-bedroom homes are particularly popular among both these age bands, with the 35 to 54 group also likely to occupy larger dwellings and the 65 and over group expressing a strong preference for two-bedroom homes.</p>	<p>Demographic trends and evidence regarding household composition in Lymm suggest that the continued supply of larger dwellings is increasingly unsuitable to the needs of local households.</p> <p>Young families in particular would benefit from smaller (and therefore more affordable) units than were supplied over the intercensal period. Future housing supply should also respond to strongly increasing demand from older households.</p> <p>Given that Lymm’s current dwelling stock is made up of larger dwellings compared with Warrington as a whole, and that the parish’s ageing population is likely to increasingly favour smaller dwellings, we recommend the following mix of dwelling sizes for new development over the Plan period:</p> <ul style="list-style-type: none"> • 29% one- and two-bedroom units; and • 61% three-bedroom units. <p>However, to prevent the delivery of larger homes altogether would not be practical or help to facilitate a balanced community. A degree of flexibility should be applied to account for demand from the market (which anecdotally indicates a stronger preference for large dwellings than one-bedrooms). Large dwellings should therefore still form part of the dwelling mix where appropriate.</p> <p>In terms of the types of dwellings required, some unmet demand for generally more affordable dwelling types, such as terraced homes, should be addressed. It is also advisable to promote the delivery of bungalows/age appropriate housing in order to meet the needs of the ageing population and to reflect the survey evidence of local demand.</p>

Issue	Evidence	Conclusion
<p>Tenure</p>	<p>Following an analysis of the number of households on Warrington Borough’s housing Register, as well as various Census data points and information about Affordable Housing (AH) supply, we estimate that 49 Lymm households are currently unable to access housing that meets their needs, and that a further 65 households will be in need of AH over the plan period.</p> <p>Lymm has a higher incidence of home ownership than the Borough and national averages, and correspondingly lower proportions of other tenures including Social Rent.</p> <p>Over the intercensal period, this pattern became more entrenched, though significant increases were also observed for private renting and shared ownership (albeit from a low base).</p> <p>Lymm’s median household income of £36,500 is insufficient to occupy all but the tenures of Social and Affordable Rent and shared ownership at a 25% share. The level of income required to afford each type of tenure is the following:</p> <ul style="list-style-type: none"> • Social Rent: £17,548; • Affordable Rent: £22,627; • Shared ownership (25%): £32,697; • Entry-level market rent: £43,267; • Starter Homes: £45,823; • Average market rent: £47,416; • Entry-level market sale: £57,279; and • Average market sale: £90,728. 	<p>If Lymm’s housing target of 430 dwellings is provided over the Plan period in accordance with Warrington Local Plan policy, a total of 129 AH units and 301 market units will be delivered over the Plan period. This should be sufficient to meet the AH needs of the community, which amounts to an estimated 102 dwellings (after deducting recent supply), as long as all developments are Local Plan policy compliant.</p> <p>Considering the income levels needed to afford various tenures, an important focus of the future dwelling mix should be Social and Affordable Rent.</p> <p>However, the necessity of creating more affordable routes to home ownership is of equal importance, and a point that is emphasised in the SHMA and Local Plan. In order to allow households unable to afford to buy and consequently obliged to rent privately, we recommend that shared ownership and Starter Homes should be supplied in line with the policy target of 34% of AH development.</p> <p>We therefore propose the same mix of tenures within AH as is put forward in Warrington Policy DEV2 to be provided in Lymm:</p> <ul style="list-style-type: none"> • Shared ownership: 24%; • Starter Homes: 10%, if deliverable (if not shared ownership); and • Affordable Rent: 66% (at 80% of market rent including service charges or LHA, whichever is the lower). <p>It is our recommendation that affordable rent be provided roughly equally at all sizes of dwelling and that shared ownership be focused on dwellings of two to three bedrooms.</p>

6.2 Recommendations for next steps

204. This Neighbourhood Plan housing needs assessment has aimed to provide Lymm Neighbourhood Plan Group (the Group) with evidence on housing trends from a range of sources. We recommend that the Group should, as a next step, discuss the contents and conclusions with Warrington Borough Council (WBC) with a view to agreeing and formulating draft housing policies, in particular the appropriate approach to identifying the level of need for new housing in the Neighbourhood Plan Area (NA), bearing the following in mind:
- Neighbourhood Planning Basic Condition A, that it 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 adopted strategic development plan;
 - The views of WBC – in particular in relation to the housing need figure that should be adopted;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers;
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by WBC;
 - The recommendations and findings of this study; and
 - How changes to the planning system will continue to affect housing policies at the local authority and, by extension, neighbourhood level.
205. This advice note has been provided in good faith by AECOM consultants on the basis of housing data and national guidance current at the time of writing (alongside other relevant and available information).
206. Bearing this in mind, we recommend that the Group should carefully monitor strategies and documents with an impact on housing policy produced by WBC or any other relevant body and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
207. At the same time, monitoring on-going demographic or other trends over the period in which the Neighbourhood Plan is being developed would help ensure the continued relevance and credibility of its policies.
208. In particular, household surveys may be able to illuminate further detail on particular issues, such as the demand for downsizing among older people and preferred Affordable Housing (AH) tenures.

Appendix A : Glossary

Adoption

The final confirmation of a local plan by a local planning authority.

Affordability¹⁹

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)/Intermediate Housing²⁰

Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision. Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents 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. Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). 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.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (Including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods. The Tenant Services Authority has issued an explanatory note on these at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

¹⁹ <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²⁰ <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

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 Standard²¹

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 Order²²

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

Concealed Families (Census Definition)²³

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

Equity Loans/Shared Equity

An equity loan which acts as a second charge on a property. For example, a household buys a £200,000 property with a 10% equity loan (£20,000). They pay a small amount for the loan and when the property is sold e.g. for £250,000 the lender 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 Housing²⁴

New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming more frail and less able to do everything for themselves. 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-

²¹ <https://www.gov.uk/government/publications/english-housing-survey-2011-to-2012-headline-report>

²² <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²³ http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

²⁴ <http://www.housingcare.org/jargon-extra-care-housing.aspx>

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, less 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 (PPG Definition)²⁵

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

²⁵ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

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 2001-2011

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 at 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 the parish level so District level data is employed on the basis of the NA falling within a 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 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 and the Greater London Authority, to the extent appropriate to their responsibilities.

Local Plan

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, which under the regulations would be considered to be development plan documents, form part of the Local Plan. The term includes old policies which have been saved under the 2004 Act.

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 (PPG Definition)

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. It is the opposite of affordable housing.

Mean (Average)

The sum of all values divided by the number of values. 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 years²⁶, 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 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.

²⁶ <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence (PPG Definition)

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 is 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 units 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 Housing²⁷

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

²⁷ <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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 (NPPF Definition)

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 LAA (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, usually across administrative boundaries to encompass the whole housing market area. The NPPF makes clear that SHMAs should identify the scale and mix of housing and the range of tenures the local population is likely to need over the plan period. Sometimes SHMAs are combined with Economic Development Needs Assessments to create documents known as HEDNAs (Housing and Economic Development Needs Assessments).

Specialist Housing for the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.) for which guideline target rents 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.²⁸

²⁸ <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

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