

Tavistock

Housing Needs Assessment (HNA)

April 2023

Quality information

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Revision History

Revision	Revision date	Details	Authorized	Position
1	Dec. 2022	First Draft	OE	Consultant
2	Dec. 2022	Internal Review	KP	Associate Director
3	Mar. 2023	Update following Group Review	OE	Consultant
4	April 2023	NP Steering Group review	UM	Tavistock Town Council
5	April 2023	Locality review	AO	Neighbourhood Planning Officer Locality

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List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
JLP	Plymouth and South West Devon Joint Local Plan
LA	Local Authority
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
TTC	Tavistock Town Council
VOA	Valuation Office Agency
WDBC	West Devon Borough Council

1. Executive Summary

- 1.1 Tavistock is a Neighbourhood Area located in the local authority area of West Devon Borough Council. The Neighbourhood Area boundary covers the areas administered by Tavistock Town Council.
- 1.2 The 2021 Census gives Tavistock's population as 12,672 individuals, showing an increase of 392 individuals since the 2011 Census.
- 1.3 This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Tavistock Neighbourhood Plan Steering Group at the outset of the research
- 1.4 Data from the Census 2021 is being released at the local authority level throughout 2022. At present, only population and household data is available, with data on the dwelling stock expected by the end of the year. Data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.
- 1.5 There has been some development in Tavistock since 2011 with around 257 new dwellings delivered¹ with an additional 19 units under construction and a further 952 committed up to 2034. In terms of Affordable Housing delivery, South West Devon Council's affordable homes completions data shows 75 affordable homes have been delivered in the Parish (as of November 2022) with a further 172 planned.

Conclusions - Tenure and Affordability

Affordability issues

- 1.6 Tavistock's current tenure mix reveals relatively high rates of home ownership (70%) compared to the national average (63%). The social rented sector (12%) is lower than the national average (18%). The private rented sector (15%) is underrepresented compared with the national average (17%).
- 1.7 Home values in the parish have increased steadily over the last decade with the value of an average home (mean) now 39% higher than it was in 2012. An entry-level home currently costs £202,478 with a median home costing 33% more at £269,750.

¹ [The Plymouth, South Hams & West Devon LPAs' 2021, 5 year housing land supply statement \(Nov. 2021\)](#)

Affordability issues and tenure options

- 1.8 AECOM has estimated the annual income required to afford various tenures of housing in the NA – each of which is explained in detail in Appendix A. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in Tavistock is £39,200 and the lower quartile income (per person) was £13,611 in 2020.
- 1.9 It was found that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 77% higher than the current average.
- 1.10 Private renting is generally marginally affordable to average earners. Households made up of two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances. The same applies to entry level rents which are affordable only to those on average incomes. The only options affordable to single and dual earning LQ households are affordable and social rents.
- 1.11 There is a relatively large group of households in Tavistock who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £31,600 per year (at which point entry-level rents become affordable) and £52,066 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
- 1.12 All of these products would be valuable to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder. Rent to buy also offers a more affordable route to ownership and is helpful to those with little or no savings for a deposit. First Homes at a 50% discount provides the best long-term support to those with higher than average incomes.
- 1.13 Neighbourhood plan qualifying bodies have discretion to increase the discount on the new First Homes product from 30% to 40% or 50% where there is evidence to suggest this is appropriate. This HNA finds that the maximum 50% discount would be required in Tavistock.

Quantity of Affordable Housing needed

- 1.14 This report estimates Tavistock's Affordable Housing needs through two calculations that use locally specific data as far as possible. The first estimates the need for affordable

rented housing and the second considers the potential demand for affordable (i.e. subsidised) home ownership.

- 1.15 There are currently 430 households either living in or claiming a local connection to Tavistock on West Devon's affordable housing register. The estimate suggests Tavistock will have a shortfall of 27 affordable rented units per year going forward (equating to a total of 324 over the Plan period).
- 1.16 Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.
- 1.17 The evidence considered suggests that the affordable rented sector performs a vital function in Tavistock as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.
- 1.18 Turning to Affordable Housing providing a route to home ownership, we estimate that around 43 households per year may be interested in such products (517 over the Plan period). It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Policy considerations

- 1.19 West Devon's adopted policy on this subject DEV8 requires 30% of all new development on schemes of 11 or more units to be affordable. Recent housing delivery in the parish has yielded around 29% Affordable Housing which is very close to the policy target. If this requirement is met on every site allocated in the JLP, around 358 affordable homes might be expected in Tavistock. This constitutes less than half the total need estimated here. Therefore, every effort should be made to maximise delivery where viable.
- 1.20 The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be potential need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.
- 1.21 On the balance of factors listed in the Policy Guidance section of this chapter, AECOM recommends that roughly 65% of Affordable Housing should take the form of rented

tenures such as social and affordable rent (preferably the former), with the remaining 35% as affordable routes to home ownership, fulfilling the requirements of the new First Homes product and allowing for some shared ownership, rent-to-buy or other tenures such as the 'Rentplus' option currently offered in Tavistock to widen choice.

- 1.22 The rationale for proposed mix (65/35) is that it aligns with the priorities suggested by the data for Tavistock, namely that affordable housing provision through the JLP allocated sites in Tavistock are not sufficient to meet the AH need estimated here. Strictly adhering to the suggested SHMA split of 75 affordable rents to 25 affordable ownership would limit the ownership tenures to First Homes, which even at 50% discount, may not provide the most affordable ownership tenure in the parish.
- 1.23 Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

Conclusions - Type and Size

1.24 This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

The existing housing stock

1.25 Tavistock has a greater proportion of detached properties and smaller percentage of semis than the national average. The proportion of terraced properties in Tavistock is similar to the national average (around 26%). Whilst flats make up a larger proportion of stock in Tavistock (18%) than the wider borough (11%), they are relatively under represented when compared to the national average (24%). Bungalows are more popular in Tavistock (15%) and the wider borough (16%) than in England as whole (9%).

1.26 In terms of dwelling size, Tavistock's stock is characterised by a prevalence of 3 bedroom properties (37%) which is the case nationwide. The next most popular size of dwelling is 2 bedrooms (33%). Larger properties (4 bedroom and over) make up 19% of stock with 1 bedroom dwellings making up around 11% of stock. The size distribution in 2021 shows a shift towards medium and smaller sized properties compared to the situation in 2011.

Demographics

1.27 Tavistock's population has an ageing profile as demonstrated by the growth in the older age groups between the 2011 and 2021 Census. Most notably, the 65-84 age group has grown substantially to form 26% of the population in 2021 whilst all the younger age groups declined except for the 45-64 cohort which remained unchanged. Looking at the rate of change in the intercensal years shows the 65-84 and 85 plus cohorts growing the most while the 16-24 cohort experienced the biggest decline (-23%). In 2021 residents aged 45 and over formed almost 60% of the population. It is likely that ageing will be a major driver of housing need in the parish in future years. The data also suggest that some young adults are leaving the NA, which may reflect a lack of suitable options for newly forming households.

1.28 Compared to wider borough and England, Tavistock has smaller proportions of the younger age groups (0-15, 16-24, 25-44) than England as a whole. Conversely, the proportions of older cohorts (45-64, 65-84, 85 plus) are greater in Tavistock and West Devon than the national average.

1.29 Tavistock has a greater proportion of single person households than the wider geographies with more of those being 66 and over in age. As for family households, both Tavistock and West Devon have a much higher proportion of family households aged over 66. Of those younger than 66, the balance between families with and without children favours those with no children. In summary, there are comparatively more

people living alone in Tavistock, with many more older couples and couples without young children.

- 1.30 The census 2021 household composition data shows the proportion of family households younger than 66 declining in Tavistock and the wider borough since the 2011 Census in contrast with modest growths at national level. The proportion of single person households aged 66 plus grew substantially in Tavistock and the borough (both around 23%) compared to a decline of 7% nationally. Similarly, family households aged 66 and over grew markedly in Tavistock (37%) and the wider borough (34%) compared to a 2% decline for England as a whole.
- 1.31 Tavistock has a high degree of under occupancy with 75% of households living in a home with at least one bedroom more than they would be expected to need, and 40% have two or more extra bedrooms. Only 2% of households have too few.
- 1.32 The previous chapter established the high property values in the area, so it would appear that the largest homes are not necessarily occupied by those with the largest families but by those with the financial capacity to do so, irrespective of their household size, or by older people who have not chosen or be able to move to smaller properties. This latter point is confirmed when considering the data for different household types. Around 94% of couples aged over 65 have more bedrooms than they would be expected to need.

The future dwelling mix

- 1.33 The results of the modelling exercise, which looks at the size of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the plan period, suggests that any new residential development would best address the changing needs of the local population by focusing on mid-sized homes (3 bedroom) followed by larger 4+ bedroom homes. There is likely to be moderate need for 2 bedroom dwellings but less so for 1 bedroom dwellings.
- 1.34 The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.
- 1.35 To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.
- 1.36 In terms of dwelling type, this study cannot be prescriptive about what types are 'needed', but there is a balance to be struck between, on the one hand, improving choice in the

market and affordability by encouraging flats and terraces, and, on the other hand, preserving the features that residents like about Tavistock at present.

Conclusions- Specialist Housing for Older People

- 1.37 The current specialist housing stock for older persons in Tavistock consists of a total of 297 units of specialist accommodation at present, around 40% of which are available for social rent for those in financial need, with the remainder being offered for leasehold market purchase or market rent. The vast majority are offered as sheltered or age restricted housing rather than offering substantial onsite care.
- 1.38 It is projected that there will be an increase of 1,150 individuals in the 75+ age group between 2011 and 2034 in Tavistock, increasing the proportion of people in this age group from 12% to 19% by the end of NP period.
- 1.39 The potential need for specialist housing with some form of additional age restriction or care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 1.40 These two methods of estimating the future need in Tavistock produce a range of 289 to 353 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. The rate of provision in Tavistock currently is below the level suggested by HLIN.
- 1.41 It is important to take into consideration the breakdown of levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-6, the majority of the need, at 88%, is identified for specialist market housing. Slightly more need is identified for sheltered housing at 58% compared to 43% extra-care. Extra-care may need to form a higher share given the present lack of this form of accommodation. The greatest sub-category of need was identified for market sheltered housing at 52% of the total need. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
- 1.42 West Devon's adopted policy on DEV9 (Meeting local housing need in the Plan Area) requires a minimum of 20% of dwellings on schemes larger than 5 units to meet national standards for accessibility and adaptability (M4 (2) of the building regs.). Additionally, 2% of dwellings on schemes of 50 plus units, are required to meet national standards (M4-3) for wheelchair user homes. If these requirements were to be met on the JLP allocations for Tavistock a total of 239 units will meet the M4(2) accessibility/ adaptability standards and 23 dwellings would meet the M4(3) wheelchair use homes standard. This will be helpful in allowing some of the older residents with lower support needs to remain

independent for longer thus reducing pressure on the limited specialist accommodation in the parish. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).

- 1.43 It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey.
- 1.44 While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
- 1.45 Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
- 1.46 It is considered that Tavistock is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Tavistock in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself.
- 1.47 Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.
- 1.48 While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:

- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
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1.51 Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

2. Context

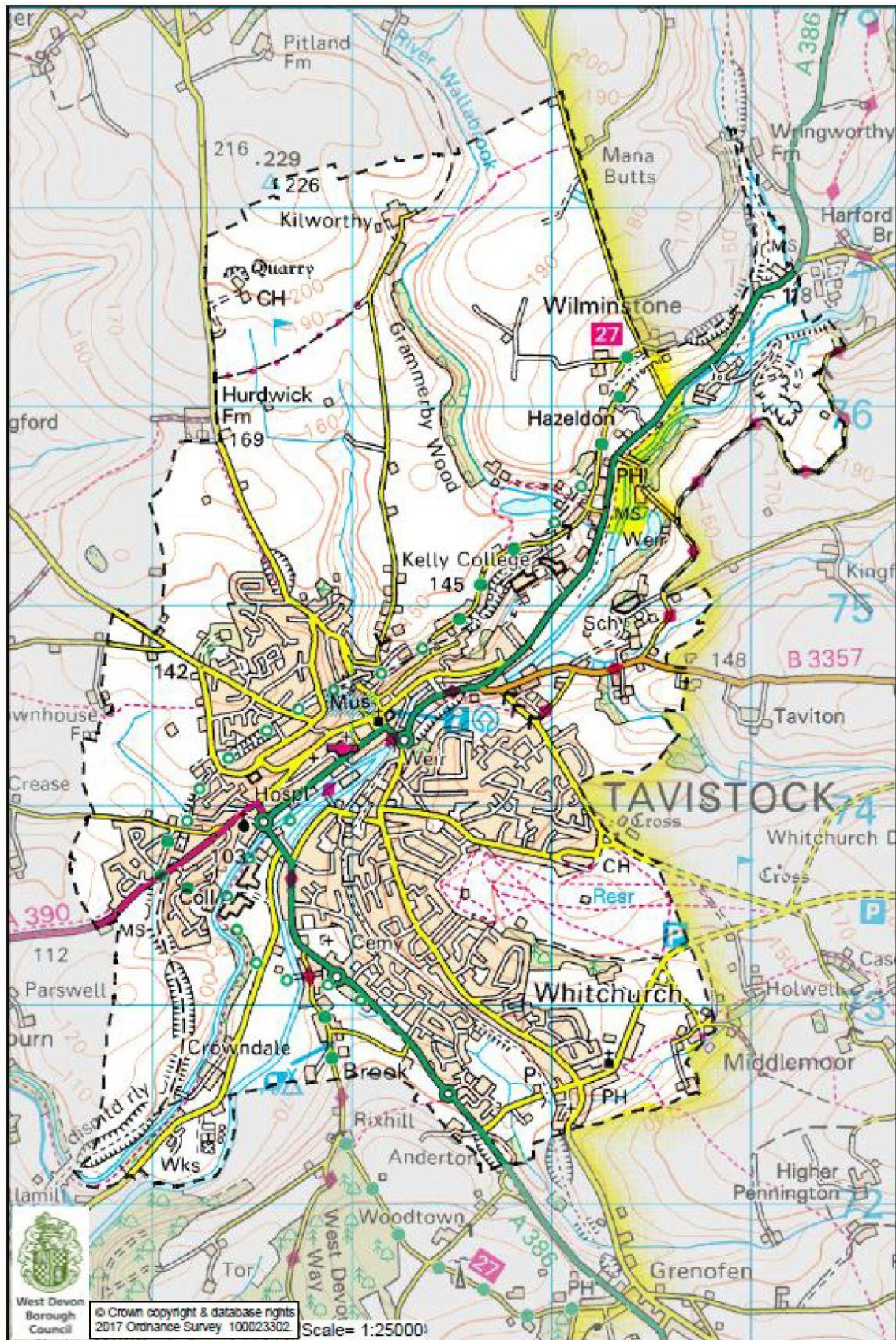
Local context

- 2.1 Tavistock is a Neighbourhood Area located in West Devon, south west England. The Neighbourhood Area (NA) boundary corresponds to the boundary of the civil parish of Tavistock and was designated in August 2021.
- 2.2 The proposed Neighbourhood Plan period starts in 2022 and extends to 2034, therefore comprising a planning period of 12 years. The evidence supplied in this report will look forward to the Plan end date of 2034, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
- 2.3 Tavistock is a historic market and stannary² town located in West Devon, on the western boundary of Dartmoor National Park. The town straddles the River Tavy from which it derives its name. It is around 13 miles north of Plymouth. The town of Tavistock is the main settlement within the parish. It is intercepted by the A386; which runs from Plymouth on the south coast to Appledore on the north coast. The nearest train station is at Gunnislake around 4.5 miles away. The town also has bus services linking it to Plymouth and Exeter.
- 2.4 Middle Layer Super Output Areas (MSOA) are a geographic hierarchy designed to improve the reporting of small area statistics in England and Wales. This assessment uses data corresponding to 'West Devon 005' MSOA (E02004233), which overlaps the NP area, alongside parish level data.
- 2.5 The statistics show that in the 2011 Census the NA had a total of 12,280 residents, formed into 5,467 households and occupying 5,760 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2021 ONS data gives Tavistock a population of 12,672 – indicating population growth of around 392 individuals or 3.2% since 2011.
- 2.6 The Plymouth, South Hams & West Devon LPAs' 2021, 5 year housing land supply statement (Nov. 2021)³ shows there have been around 257 completions in Tavistock up to September 2021 with an additional 19 units under construction and a further 952 committed up to 2034. This would imply a total of 6,017 dwellings (5,760 at the 2011 Census + 257 completions since 2011) in the parish at present. This broadly aligns with the Valuation Office Agency (VOA) data which shows a total of 6,080 dwellings for the parish. In terms of Affordable Housing delivery, South West Devon Council's affordable homes completions data shows 75 affordable homes have been delivered in the Parish (as of November 2022) with a further 172 planned.
- 2.7 A map of the Plan area appears below in Figure 2-1.

² A stannary was an administrative division established under stannary law in the English counties of Cornwall and Devon to manage the collection of tin coinage, which was the duty payable on the metal tin smelted from the ore cassiterite mined in the region.

³ [The Plymouth, South Hams & West Devon LPAs' 2021, 5 year housing land supply statement \(Nov. 2021\)](#)

Figure 2-1: Map of the Tavistock Neighbourhood Area⁴



The Housing Market Area Context

- 2.8 Whilst this HNA focuses on Tavistock neighbourhood area it is important to keep in mind that neighbourhoods are not self contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas. In the case of Tavistock, the parish sits within a housing market area which covers Plymouth, West Devon and South Hams, including the part of Dartmoor National Park⁵. This means that when households who live in these authorities move home, the vast majority move within this geography.
- 2.9 At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Tavistock, are closely linked to other areas. In the case of Tavistock, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. For example, the parish has close relationships with and good transport links to Plymouth and is identified as a key location for sustainable development contributing to the economic success of Plymouth⁶. This may therefore create additional need for housing within the parish. The TNP Steering Group advise that the parish attracts people from more affluent areas e.g. the South East, where property prices are generally higher, and this is placing significant upward pressure on property prices in the parish with local residents being priced out of the market. The Group also advise that there is a lack of affordable homes suitable for young families and this is leading to younger residents leaving the parish in search of affordable accommodation elsewhere. Similarly, there is a lack of smaller dwellings suitable for older residents who wishing to downsize.
- 2.10 In summary, Tavistock functions within a wider strategic area. As well as fostering good working relationships with the local planning authority West Devon Borough Council, it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

- 2.11 Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁷ In the case of Tavistock, the relevant adopted Local Plan for West Devon consists of:

⁴ Available at www.dartmoor.gov.uk

⁵ [Strategic-Housing-Market-Needs-Assessment](#)

⁶ Source: [Plymouth & South West Devon Joint Local Plan](#)

⁷ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

2.12 Plymouth and South West Devon Joint Local Plan (JLP) adopted in March 2019. This establishes an over-arching strategic framework for sustainable growth for Plymouth, South Hams and West Devon up to 2034.

Policies in the adopted local plan

2.13 Table 2-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Tavistock.

Table 2-1: Summary of relevant adopted policies in the JLA

Policy	Provisions
SO1 Strategic Objective -Delivery	'Delivering the spatial strategy' sets out the objective of meeting the needs of Plymouth and South west Devon for new homes, jobs and services. The objective seeks to maximise growth in Plymouth and focuses remaining growth within the Thriving Towns and Villages Policy Area (TVPA) which includes Tavistock and 5 other towns. These towns play the role of sustainable service centres serving wide rural hinterlands, providing a range of facilities and services.
SPT3 Provision for new homes	Sets the target growth of at least 26,700 new homes for the plan period (2014-2034). Plymouth is allocated 19,000 dwellings (4,550 affordable) with the remaining 7,700 (2,055 affordable) split across the TVPA.
SP5 Spatial priorities for development in Tavistock	The plan seeks to enhance the vibrancy and sustainability of Tavistock by providing mixed use developments to meet housing need, delivering improved transport and social infrastructure including an extra care facility.
TTV16 Callington Road, Tavistock	Allocates a 600 dwelling residential development at land at Callington Road, Tavistock.
TTV17 Plymouth Road, Tavistock	Allocates a 300 dwelling mixed use development
TTV19 Other site allocations in Tavistock	Allocates the following additional housing developments: <ul style="list-style-type: none"> - 148 dwellings – at New Launceston Road - 110 dwellings – at Butcher Park Hill - 23 dwellings – at Brook Lane - 12 dwellings – The Trendle

Policy	Provisions
DEV8 Meeting local housing need in the Thriving Towns and Villages Policy Area	<p>Seeks a mix of housing sizes, types and tenure appropriate to the area and as supported by local housing evidence. The most particular needs in the TVPA area are:</p> <ul style="list-style-type: none"> – Addressing imbalance in current stock – Providing suitable for households with specific needs – Dwellings suited to younger people, working families and older people who wish to retain self-sufficiency. <p>In terms of affordable housing provision, the policy proposes:</p> <ul style="list-style-type: none"> – A minimum of 30% on-site AH provision on schemes of 11 or more units. – In rural developments of 6-10 dwellings an offsite commuted sum to deliver 30% AH would be required.
DEV9 Meeting local housing need in the Plan Area	<p>Requires AH to include social and affordable rent, shared ownership and rent-to-buy / shared equity as appropriate.</p> <p>At least 20% of dwellings on schemes of 5 plus dwellings to meet national standards for accessibility and adaptability (M4 (2) of building regulations)</p> <p>At least 2% on schemes of 50 plus to meet national standards for wheelchair user homes (M4(3) of buildings regulations)</p>

Source: Plymouth & South West Devon Joint Local Plan 2014-2034

Quantity of housing to provide

2.14 The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period. It is important that new housing include affordable housing and provide an appropriate mix and size of homes. The NP Steering group also cite a lack of rental options and homes for first time buyers and the elderly. A household survey was conducted as part of the initial NP engagement process which showed there is a requirement for more affordable housing, better transport links and more sustainable growth.

2.15 West Devon Borough Council has fulfilled that requirement by providing Tavistock with a definitive figure of around 1,200 dwellings to be accommodated within the Neighbourhood Area by the end of the Plan period.⁸ This represents the sum of the JLP allocations.

⁸ Source: Plymouth & South West Devon Joint Local Plan 2014-2034 (paragraph. 5.95)

3. Approach

Research Questions

- 3.1 The following research questions were formulated at the outset of the research through discussion with the Tavistock Neighbourhood Plan Steering Group. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

- 3.2 The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.
- 3.3 This evidence will allow Tavistock to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.
- 3.4 The neighbourhood planners are interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.
- 3.5 RQ 1: What Affordable Housing (e.g. social housing, affordable rented, shared ownership, discounted market sale, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?**

Type and Size

- 3.6 The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community. There is considerable development pressure in the NP area within the 6 sites allocated in the JLP.
- 3.7 The aim of this research question is to provide neighbourhood planners with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.
- 3.8 While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends.
- 3.9 Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

Specialist Housing for Older People

3.11 This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care.

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

Relevant Data

3.13 This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from a range of other data sources, including:

- Census 2011 and Census 2021 (the latter only available at the local authority level at present)
- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information at the neighbourhood level;
- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Home.co.uk;
- Local Authority housing waiting list data; and
- The Plymouth and South West Devon Joint Local Plan SHMA (2017)

3.14 Data from the Census 2021 is being released at the local authority level throughout 2022. At present, only population and household data is available, with data on the dwelling stock expected by the end of the year. Comprehensive data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.

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

RQ1: What Affordable Housing (eg social housing, affordable rented, shared ownership, discounted market sale, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

Introduction

- 4.1 This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
- 4.2 Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.

The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. The NPPF defines Affordable Housing as *'housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers; and which complies with one or more of the following definitions'*⁹. The full document further outlines the tenures included in this definition. Those outlined in Table 4-1 would fall under this NPPF definition of Affordable Housing.

⁹ Available here -

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf

Table 4-1: Breakdown of Affordable Housing tenures

Tenure	Rent/Ownership	Brief Description
Social Rent	Rent	<p>This tenure is owned by local authorities (what used to be called Council housing) and private registered providers (also known as housing associations).</p> <p>Guideline target rents are determined through the national rent regime and are typically the lowest-cost form of housing available.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Affordable Rent	Rent	<p>This is similar to Social Rent (above). Affordable Rent is not subject to the national rent regime but must have a rent of no more than 80% of the local market.</p> <p>Households must be eligible on the basis of incomes and other circumstances, and there are usually waiting lists.</p>
Rent to Buy	Combination	<p>Rent to Buy is a relatively uncommon tenure. Subsidy allows the occupant to save a portion of their rent to be used to build up a deposit to eventually purchase the home.</p>
Shared Ownership	Ownership	<p>An affordable home ownership product where a purchaser buys part (generally between 25% and 75%, but can be as little at 10%) of the value of the property. The remaining (un-owned part) is rented from a housing association or local authority.</p> <p>This Generally applies to new build properties, but re-sales occasionally become available.</p>
First Homes	Ownership	<p>First Homes are an affordable home ownership product introduced in 2021. Discounts on the market price can be set at 30%, 40%, or 50%.</p> <p>New developments will be required to provide 25% of the Affordable Housing as First Homes. This product is discussed in more detail in the commentary following this table.</p>

4.3 As part of the effort to expand home ownership, the Government introduced the First Homes product in 2021.¹⁰ Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

Current tenure profile

4.4 The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.

4.5 Table 4-2 presents data on tenure in Tavistock compared with South West Devon and England from the 2011 Census, which is the most recent available source of this information.

¹⁰The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

- 4.6 Like the rest of the borough, Tavistock has a higher percentage of owner occupation (70%) than the national average (63%). The social rented sector is slightly larger (12%) in Tavistock than in the wider borough (10%) but both are substantially lower than the national average (18%). At 15%, the private rented sector in the parish (and borough) is underrepresented compared with the national average (17%). The Plymouth, South Hams & West Devon LPAs' 2021, 5 year housing land supply statement (Nov. 2021) shows there have been around 260 completions in Tavistock up to September 2021, these include around 75 affordable homes (according to WDBC's completions data). This implies that recent housing delivery in the parish has yielded around 29% affordable homes.
- 4.7 There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Tavistock the private rented sector expanded by 129% in that period, over 1.5 times the national rate of growth (82%). The social rented sector increased by 37% in Tavistock in the same period compared to a shrinkage of 1% for England as a whole.

Table 4-2: Tenure (households) in Tavistock, 2011

Tenure	Tavistock	West Devon	England
Owned	70.4%	73.2%	63.3%
Shared ownership	0.9%	0.7%	0.8%
Social rented	11.7%	9.5%	17.7%
Private rented	15.3%	15.0%	16.8%

Sources: Census 2011, AECOM Calculations

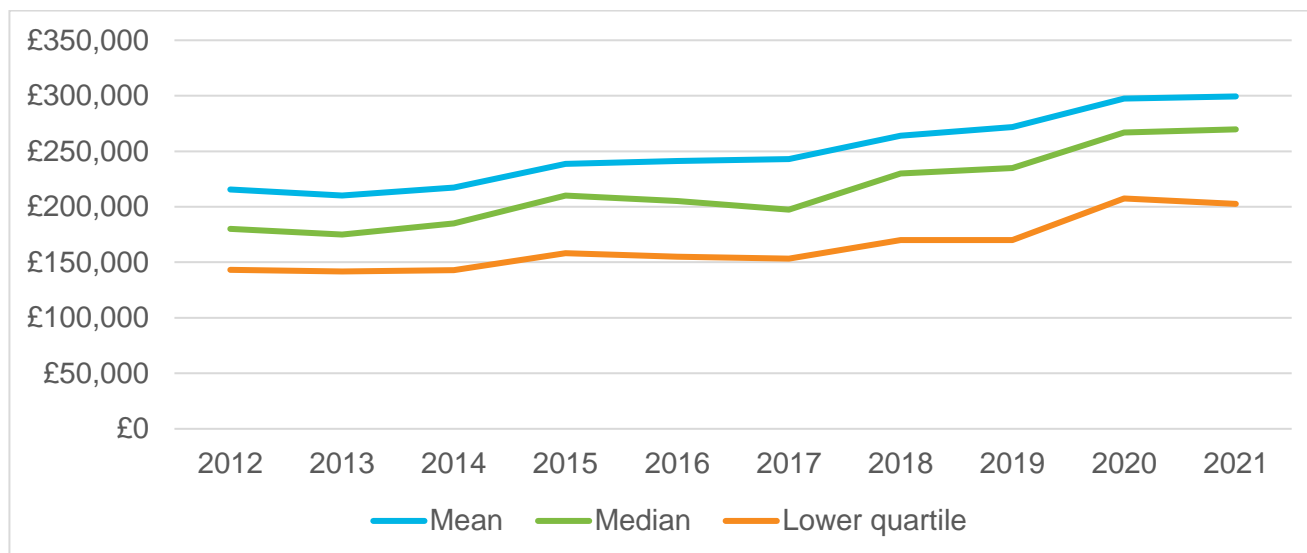
Affordability

House prices

- 4.8 House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
- 4.9 Figure 4-1 looks at the average and lower quartile house prices in Tavistock based on sales price data published by the Land Registry. It shows prices generally increasing

over the long term with some year-on-year fluctuations. The mean¹¹, median and lower quartile values followed a similar trend, ending 39%, 50% and 41% higher respectively in 2021 than in 2012. Currently, the median price (£269,750) is around 33% higher than the lower quartile price (£202,478).

Figure 4-1: House prices by quartile in Tavistock, 2012-2021



Source: Land Registry PPD

4.10 Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that detached dwellings have seen the greatest price growth (52%) followed by semi-detached properties (50%). Terraced homes and flats experienced lower, but still substantial price growth of 43% and 31%, respectively.

Table 4-3: Median house prices by type in Tavistock, 2012-2021

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£269,975	£262,500	£286,250	£275,000	£315,000	£327,500	£330,000	£362,500	£376,000	£410,000	51.9%
Semi-detached	£167,000	£177,500	£187,500	£195,000	£193,000	£197,500	£227,500	£222,500	£245,000	£250,000	49.7%
Terraced	£154,000	£170,000	£164,975	£168,500	£174,975	£170,500	£213,500	£175,000	£205,000	£220,000	42.9%
Flats	£128,250	£120,000	£110,000	£131,000	£132,750	£140,000	£135,000	£148,000	£218,950	£168,000	31.0%
All Types	£180,000	£175,000	£185,000	£210,000	£205,250	£197,500	£230,000	£235,000	£267,000	£269,750	49.9%

Source: Land Registry PPD

¹¹Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median. The median is the middle number when you sort the data from smallest to largest.

Income

- 4.11 Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.
- 4.12 The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £39,200 in 2018. A map of the area to which this data applies is provided in Appendix A.
- 4.13 The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. West Devon's gross individual lower quartile annual earnings were £13,611 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £27,222.
- 4.14 It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

- 4.15 To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.16 AECOM has determined thresholds for the income required in Tavistock to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
- 4.17 The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives.
- 4.18 The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.

- 4.19 The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability, it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
- 4.20 While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter the picture of affordability that emerges here. This is another reason to interpret the findings with a degree of flexibility.
- 4.21 Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.
- 4.22 The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £39,200	Affordable on LQ earnings (single earner)? £13,611	Affordable on LQ earnings (2 earners)? £27,222
Market Housing						
Median House Price	£242,775	-	£69,364	No	No	No
NA New Build Entry-Level House Price	£260,996		£74,570	No	No	No
LQ/Entry-level House Price	£182,230	-	£52,066	No	No	No
LA New Build Median House Price	£296,505	-	£84,716	No	No	No
Average Market Rent	-	£12,288	£40,960	Marginal	No	No
Entry-level Market Rent	-	£9,480	£31,600	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£182,697	-	£52,199	No	No	No
First Homes (-40%)	£156,597	-	£44,742	No	No	No
First Homes (-50%)	£130,498	-	£37,285	Yes	No	No
Shared Ownership (50%)	£130,498	£3,625	£49,368	No	No	No
Shared Ownership (25%)	£65,249	£5,437	£36,767	Yes	No	No
Shared Ownership (10%)	£26,100	£6,525	£29,207	Yes	No	Marginal
Affordable Rented Housing						
Affordable Rent	-	£6,027	£20,069	Yes	No	Yes
Social Rent	-	£4,789	£15,946	Yes	No	Yes

Source: AECOM Calculations

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

and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

Market housing for purchase and rent

4.24 Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 77% higher than the current average.

4.25 Private renting is generally marginally affordable to average earners. Households made up of two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances. The same applies to entry level rents which are affordable only to those on average incomes. The only options affordable to single and dual earning LQ households are affordable and social rents.

Affordable home ownership

4.26 There is a relatively large group of households in Tavistock who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £31,600 per year (at which point entry-level rents become affordable) and £52,066 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.

4.27 First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.

4.28 This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It appears that the maximum discount of 50% would be required to render First Homes affordable to average income households. This implies that the maximum 50% discount would be required in Tavistock but there are other considerations, such as the financial impact of higher discounts on the development overall, which creates the risk that fewer affordable rented homes might be provided. This is a matter for discussion with WDBC if relevant.

4.29 Table 4-5 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA, as outlined in the Appendix. It is also worth considering the discounts required for some additional price benchmarks. The table above uses the calculated median price of new build flats and terraced dwellings sold in the NA in 2021 as the best estimate for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing. However, it is worth thinking about First Homes in relation to the

cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA Median House Price	43%	80%	61%
NA New Build Entry-Level House Price	47%	82%	63%
NA Entry-Level House Price	25%	74%	48%
LA Median New Build House Price	54%	84%	68%

Source: Land Registry PPD; ONS MSOA total household income

4.30 Shared ownership at 50% equity appears to be less affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.¹² If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

4.31 The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.

4.32 The income required to access Rent to Buy, a product designed to allow residents to transition from renting to ownership by allowing a discount on the market rent to be used to save a deposit, is assumed to be the same as that required to afford market rents. On that basis, First Homes (at 30-40% discount) and shared ownership (at 50% equity) are less affordable options.

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

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.

¹² The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

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

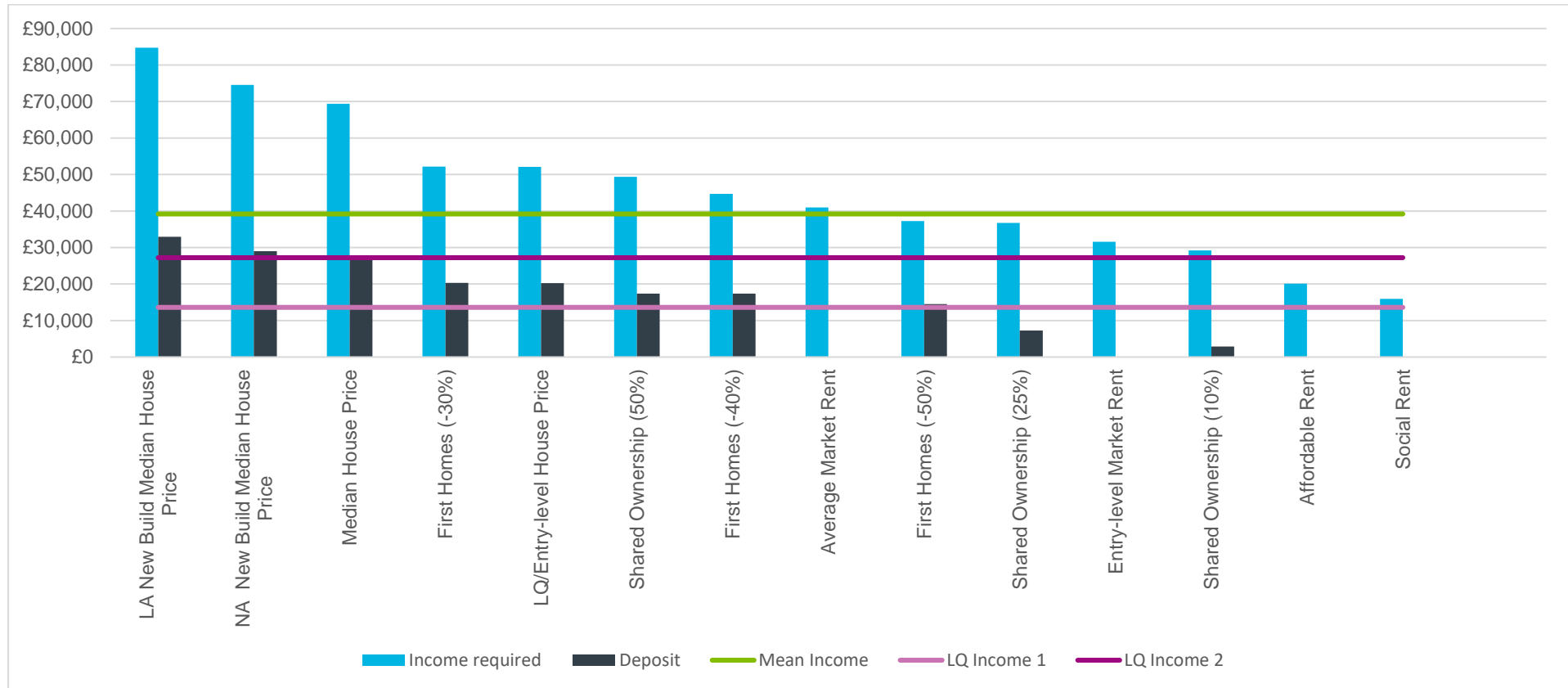
4.34 In conclusion, all of these products would provide value to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder, while Rent to Buy is helpful to those with little or no savings for a deposit, and First Homes (especially at 50% discount) may provide a better long-term investment to those who can afford to access it.

Affordable rented housing

4.35 Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.

4.36 The evidence in this chapter suggests that the affordable rented sector performs a vital function in Tavistock as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Figure 4-2: Affordability thresholds in Tavistock, income required (additional cost of deposit in black)



Source: AECOM Calculations

Affordable housing- quantity needed

- 4.37 The starting point for understanding the need for affordable housing in Tavistock is the relevant Strategic Housing Market Assessment (SHMA). A SHMA was undertaken for Plymouth City, South Hams and West Devon District Councils in 2017. This study estimates the need for affordable housing in the borough based on analysis of the Council's housing waiting list, migration trends and uplifts for market signals along with other data sets in line with Planning Practice Guidance at the time. The SHMA identifies the need for 57 net additional affordable homes each year in West Devon borough. Of the total, 75% of need is for social/affordable rents, as it relates to households who live in unsuitable housing and who cannot afford to access market rents, and 25% is for shared ownership options.
- 4.38 The SHMA figures can be pro-rated to determine broadly what share of the borough's needs might be attributable to Tavistock, based on its share of West Devon's population. Tavistock's population (12,672) is around 22.2% of West Devon's population (57,100)¹³. On this basis Tavistock might be expected to need around 12.7 units of affordable dwellings per year. Applying the SHMA's tenure split to this figure, produces 9.5 units for affordable rent and 3.2 units for affordable home ownership per year. Over the 12 years of the Neighbourhood Plan period this would equate to 114 affordable rented homes and 38 affordable home ownership dwellings. However, the SHMA is now relatively dated and covers a large area. Therefore, we have calculated Tavistock's needs through two calculations that use locally specific data as far as possible. The first estimates the need for affordable rented housing and the second considers the potential demand for affordable home ownership tenures. These estimates are presented and discussed in turn below.

Affordable rented housing

- 4.39 The starting point for assessing the need for affordable rented housing is the number of Tavistock households currently applying for Affordable Housing on the West Devon housing register. WDBC have advised that there were 430 households living in the parish or with connections to it, on the register as of December 2022.
- 4.40 Table 4-6 below estimates the need for Affordable Housing for rent in Tavistock per year of the Plan period. It should be noted that the accuracy of the findings generated by the model is only as strong as the evidence we have available to us. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out below are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.

¹³ Census 2021

- 4.41 The result of this calculation is a shortfall of 27 units per year (324 over the Plan period). The calculation assumes that roughly 3% of the occupants of Tavistock's social rented stock will vacate their property in any given year, as they move to a new location, pass away or cease to become eligible as their income rises. The 3% of stock equates to approximately 21 Affordable Housing units. We estimate that around 12 households will fall into need per annum, in addition to 35.8 units required to satisfy current need (which is spread across the Plan period in order to give an annualized figure). So a combined 48 households need housing per year, while 21 units might be expected to come vacant in the same year, leaving a shortfall of 27 per year or 324 units over the Plan period.
- 4.42 An important caveat to this finding is that there are demonstrably households currently in need in Tavistock, and to 'spread them out' over the Plan period once a sufficient surplus has been built up. While possible, this is not favourable to the individuals involved. In practice, it would be better to frontload any future Affordable Housing provision to meet those needs as soon as possible, leaving newly arising need in future to be met by turnover in the existing stock.

Table 4-6 Estimate of need for Affordable Housing for rent in Tavistock

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	430.0	Latest waiting list data from WDBC
1.2 Per annum	35.8	Step 1.1 divided by the plan period 2022-2034
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	598.1	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to parish
2.2 Proportion of new households unable to rent in the market	23.7%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in parish
2.2.1 Current number of social renters in parish	686.7	2011 Census + LA-level % increase
2.2.2 Number of private renters on housing benefits	305.6	Housing benefit caseload May 2018. Pro rata for parish.
2.3 New households unable to rent	141.4	Step 2.1 x Step 2.2
2.4 Per annum	11.8	Step 2.3 divided by plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year
3.2 Supply of social/affordable re-lets (including transfers)	20.6	Step 3.1 x parish social rented stock (2.2.1)
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall shortfall per annum	27.0	Step 1.2 + Step 2.4 - Step 3.2

Affordable home ownership

- 4.43 Turning now to Affordable Housing providing a route to home ownership, Table 4-7 below estimates the potential demand in Tavistock. This model aims to estimate the number of households who can rent but can't buy on the basis of their incomes. It counts households currently living in or expected to enter the private rented sector who are not on housing benefit.
- 4.44 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model discounts 25% of these households, assuming a proportion will be renting out of choice. The result of the calculation is around 43 (rounded) households per annum who may be interested in affordable home ownership (or 517 for the entirety of the Plan period).
- 4.45 Again this assumes a rate of turnover in the existing stock will satisfy some need (roughly 3 units per year). However, the potential current and future demand is so large as to far exceed supply through turnover, meaning that additional provision is required.
- 4.46 However, it is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Table 4-7 Estimate of the potential need for Affordable Housing for sale in Tavistock

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in the NA	1012.0	2021 Census number of private renters
1.2 Percentage renters on housing benefit in LA	34.3%	% of renters in 2021 on housing benefit/ Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in NA	348.1	Step 1.1 x Step 1.2
1.4 Current need (households)	497.9	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	41.5	Step 1.4 divided by plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	598.1	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	9.2%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	54.8	Step 2.1 x Step 2.2
2.4 Total newly arising need per annum	4.2	Step 2.3 divided by plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	53.0	Number of shared ownership homes in NA (Census 2021)
3.2 Supply - intermediate resales	2.7	Step 3.1 x 5% (assume rate of resale)
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall per annum	43.1	(Step 1.5 + Step 2.4) - Step 3.2

4.47 There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a

greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

4.48 It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Additional evidence of Affordable Housing needs

4.49 WDBC's housing waiting list data shows 430 households in / or with connections to, Tavistock currently in need of affordable rented housing. The highest demand is from families in need of 3-bedroom homes.

4.50 The unaffordability extends to the private rented market with the average private rents of three bedroom homes outstripping the Local housing Allowance in the parish.

4.51 WDBC advise there is pressure on the types of housing suited for older people within Tavistock, shown through the high numbers of bids for bungalows and the high number of bids on 1 bed properties. Although 1 bed properties don't have the highest number of bids compared to 3 and 2 bedroom homes.

4.52 The JLP team advise that there are viability issues pertaining to First Homes in Tavistock.

4.53 The TNP Steering Group observe a trend of newcomers moving in to the parish from affluent areas in the South East placing an upward pressure on house prices. This often leads to local residents, particularly young families, being priced out of the market.

Affordable Housing policy guidance

4.54 West Devon's adopted policy on this subject DEV8 requires 30% of all new development on schemes of 11 or more units to be affordable. Recent housing delivery in the parish has yielded around 29% Affordable Housing which is very close to the policy target.

4.55 The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.

4.56 How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures, such as the balance between rented tenures and routes to home ownership is left as a matter to be informed by the latest evidence. The HNA can supply more localized evidence, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Tavistock specifically.

4.57 The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:

- A. **Evidence of need for Affordable Housing:** This study estimates that Tavistock requires roughly 324 units of affordable rented housing and 527 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes. The relationship between these figures suggests that 39% of Affordable Housing should be rented and 61% should offer a route to ownership. However, as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership. If the quantity of new housing overall were unlimited, 39% to 61% may be an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.
- B. **Can Affordable Housing needs be met in full?** How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected. If the Local Plan target of 30% were achieved on every site, up to around 358 affordable homes might be expected in the NA. If the majority of Tavistock's HRF is expected to come forward in the form of small infill developments, those schemes are unlikely to be large enough to meet the threshold of 11 dwellings, above which the Affordable Housing policy applies. If that is the case, the potential delivery of Affordable Housing is likely to be lower still. However, the JLP site allocations for Tavistock are all above the threshold. That said even if the policy requirement was met on all allocated sites the resulting AH provision would not be sufficient to fulfil the potential need estimated herein. Given the affordability issues identified above, affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority. The 75% rented 25% ownership guideline mix in the Local Plan may offer an appropriate benchmark.
- C. **Government policy (e.g. NPPF) requirements:** current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in West Devon, where 30% of all housing should be affordable, a third (33.3%) of Affordable Housing should be for affordable ownership. This does not comply with the guideline tenure split sought in the SHMA. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA delivery of 10% or more of homes as affordable home ownership would impact on the ability to deliver social/affordable rented homes.

- D. **Local Plan policy:** As noted above, the adopted Local Plan does not specify a tenure split, leaving this to be decided by the latest available local evidence.
- E. **First Homes policy:** the Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes. This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This would not be the case in Tavistock if the SHMA split of 75% affordable rents to 25% affordable ownership is to be followed. National policy dictates that after the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the relevant Local Plan, with any remaining units allocated to other tenure products in the relative proportions set out in the Local Plan. AECOM is aware that some Local Planning Authorities are considering 'top slicing' their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. If this was done in West Devon, the remaining 75% of the affordable housing provision would then be apportioned 70% to affordable rent and 30% to affordable home ownership. If this approach is taken, all other things being equal, it would reduce the provision of rented forms of affordable housing since it would effectively protect the provision of other forms of affordable home ownership alongside First Homes. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model. This guidance generally applies to borough-level policy, and there may still be potential for a neighbourhood plan tenure mix to deviate from how the other tenures are rebalanced if appropriate.
- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.
- G. **Funding:** the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.

- H. **Existing tenure mix in Tavistock:** Evidence suggests that there is limited Affordable Housing (either to rent or for sale) within the NA at present. The social rented sector is particularly underrepresented in the Parish compared to the national average. Similarly, the shared ownership sector is very small in Tavistock. This suggests that some provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.
- I. **Views of registered providers:** it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.
- J. **Wider policy objectives:** the neighbourhood planning group may wish to take account of broader policy objectives for Tavistock and/or the wider district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.
- 4.58 On the basis of the considerations above, Table 4-6 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.
- 4.59 This indicative mix is chiefly in response to the significant affordability issues identified in this chapter, the level of AH delivery anticipated from the JLP allocations. In this context, affordable rented tenures are likely to be prioritised. The SHMA guideline mix of 75% rented to 25% ownership appears to offer a suitable benchmark and would satisfy the 25% First Homes requirement mandated nationally. However, this tenure split would not give any scope to deliver other forms of affordable home ownership. As such, if the neighbourhood plan develops a policy on tenure mix, the group may wish to consider how far other products (specifically shared ownership and rent to buy) might be desirable. In order to deliver other forms of affordable home ownership, assuming 25% First Homes is delivered as part of the mix, policy would need to allow for a higher proportion of affordable home ownership within the tenure mix.
- 4.60 This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
- 4.61 Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with WDBC to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.

4.62 Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

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

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	35%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	5%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	5%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	65%	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Affordability issues and tenure options

- 4.63 Tavistock's current tenure mix reveals relatively high rates of home ownership (70%) compared to the national average (63%). The social rented sector (12%) is lower than the national average (18%). The private rented sector (15%) is underrepresented compared with the national average (17%).
- 4.64 Home values in the parish have increased steadily over the last decade with the value of an average home (mean) now 39% higher than it was in 2012. An entry-level home currently costs £202,478 with a median home costing 33% more at £269,750.
- 4.65 AECOM has estimated the annual income required to afford various tenures of housing in the NA – each of which is explained in detail in Appendix A. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in Tavistock is £39,200 and the lower quartile income (per person) was £13,611 in 2020.
- 4.66 It was found that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 77% higher than the current average.
- 4.67 Private renting is generally marginally affordable to average earners. Households made up of two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances. The same applies to entry level rents which are affordable only to those on average incomes. The only options affordable to single and dual earning LQ households are affordable and social rents.
- 4.68 There is a relatively large group of households in Tavistock who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £31,600 per year (at which point entry-level rents become affordable) and £52,066 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
- 4.69 All of these products would be valuable to different segments of the local population, with shared ownership at a lower than 25% equity share potentially allowing lower earning households to get a foot on the housing ladder. Rent to buy also offers a more affordable route to ownership and is helpful to those with little or no savings for a deposit. First Homes at a 50% discount provides the best long-term support to those with higher than average incomes.

4.70 Neighbourhood plan qualifying bodies have discretion to increase the discount on the new First Homes product from 30% to 40% or 50% where there is evidence to suggest this is appropriate. This HNA finds that the maximum 50% discount would be required in Tavistock.

Quantity of Affordable Housing needed

4.71 This report estimates Tavistock's Affordable Housing needs through two calculations that use locally specific data as far as possible. The first estimates the need for affordable rented housing and the second considers the potential demand for affordable (i.e. subsidised) home ownership.

4.72 There are currently 430 Tavistock households (or one's with connections to the parish) on West Devon's affordable housing register. The estimate suggests Tavistock will have a shortfall of 27 affordable rented units per year going forward (324 over the Plan period).

4.73 Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing.

4.74 The evidence in this chapter suggests that the affordable rented sector performs a vital function in Tavistock as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

4.75 Turning to Affordable Housing providing a route to home ownership, we estimate that around 43 households per year may be interested in such products (517 over the Plan period). It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Policy considerations

4.76 West Devon's adopted policy on this subject DEV8 requires 30% of all new development on schemes of 11 or more units to be affordable. Recent housing delivery in the parish has yielded around 29% Affordable Housing. If this requirement is met on every site allocated in the JLP, around 358 affordable homes might be expected in Tavistock. This constitutes less than half the total

need estimated. Therefore, every effort should be made to maximise delivery where viable.

4.77 On the balance of factors listed in the Policy Guidance section of this chapter, AECOM recommends that roughly 65% of Affordable Housing should take the form of rented tenures such as social and affordable rent (preferably the former), with the remaining 35% as affordable routes to home ownership, fulfilling the requirements of the new First Homes product and allowing for some shared ownership, rent-to-buy or other tenures such as the 'Rentplus' option currently offered in Tavistock to widen choice.

4.78 The rationale for proposed mix (65/35) is that it aligns with the priorities suggested by the data for Tavistock, namely that affordable housing provision through the JLP allocated sites in Tavistock are not sufficient to meet the AH need estimated here. Strictly adhering to the suggested SHMA split of 75 affordable rents to 25 affordable ownership would limit the ownership tenures to First Homes, which even at 50% discount, may not provide the most affordable ownership tenure in the parish.

4.79 Table 4-6 summarises Tavistock's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure (growth allocated in the adopted JLP) for the area to the Local Plan policy expectation, and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plan for more housing (and therefore more affordable housing) than the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-7: Estimated delivery of Affordable Housing in Tavistock

	Step in Estimation	Expected delivery
A	Provisional capacity figure	1,193
B	Affordable housing quota (%) in LPA's Local Plan	30%
C	Potential total Affordable Housing in NA (A x B)	358
D	Rented % (e.g. social/ affordable rented)	65%
E	Rented number (C x D)	233

F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	35%
G	Affordable home ownership number (C x F)	125

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

4.80 Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

5. RQ 2: Type and Size

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

Introduction

- 5.1 The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Tavistock in terms of type and size, as well as some of the population characteristics that tend to influence housing needs. From this, it is possible to develop an understanding of what sort of housing would be appropriate going forward.
- 5.2 It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The evidence in this section, particularly the indicative size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

Existing types and sizes

Background and definitions

- 5.3 Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those having more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.
- 5.4 This study is concerned primarily with need rather than demand. Need for homes of different sizes is chiefly determined by the number of people occupying the home. In the strict sense, there is no ‘need’ for dwellings of any particular type, other than the specific needs of those with certain disabilities for level access properties, for example.
- 5.5 The best proxy for the number of people in a household is age or ‘life stage’, with younger and then older households tending to have one or two people, and those in between these poles more likely to have larger families including children. Life stage is therefore a main indicator considered here for the size of housing needed. But it is worth pointing out that wealth is also correlated with age, so it is not possible to attain a pure view of what is needed from the secondary data alone.
- 5.6 It is also useful to clarify the terminology around dwellings and households. Dwellings are counted in the Census by combining address information with Census returns on whether people’s accommodation is self-contained. As such,

all dwellings are classified as either shared or unshared dwellings. Households are groups of people who live together as a coherent unit (such as a family), and a dwelling is shared where there is more than one household occupying it (e.g. two families or a group of individual students). Hence, there is usually a different number of households and dwellings in any given area. The number of dwellings can also exceed that of households in areas with large numbers of holiday or second homes.

- 5.7 As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. For some aspects, such as the size mix of homes, adding together Census figures and completions data for the intervening period is highly accurate. For others, such as the type mix of homes, this method is not available and Valuation Office Agency (VOA) must be used. VOA data corresponding to MSOA West Devon 005 is used below which is an exact match for the NA. The most appropriate combination of approaches is used in this section.

Dwelling type

- 5.8 Census 2011 data is also presented, but this unfortunately cannot be used to fully understand the changes between 2011 and 2020 because Census data counts bungalows within each of the other categories rather than independently (hence the apparent decline in the number of semi-detached properties), and because the Census data relates to a slightly larger proxy area. Note also that VOA data is rounded to the nearest 10 in each dwelling category.
- 5.9 The 2011 census data (Table 5-1) shows detached properties making up around a third (33%) of the housing stock in Tavistock, followed by semis and terraced properties (each around 25%) with flats constituting 18% of stock.
- 5.10 The 2021 distribution shows bungalows and detached properties forming just under 35% of stock followed by terraced properties (27%), semis (20%) with flats making up just over 18% of stock. This indicates a slight shift towards smaller terraced properties and flat compared to the 2011 stock.

Table 5-1: Accommodation type, Tavistock, 2011 and 2021

Dwelling type	2011 (Census)	2021 (VOA)
Bungalow	-	15.0%
Flat	17.6%	18.3%
Terrace	24.8%	26.6%
Semi-detached	25.0%	19.9%
Detached	32.6%	19.6%
Unknown/other	-	0.7%
Total	100%	100%

Source: ONS 2011, VOA 2021, AECOM Calculations

5.11 Compared to England as a whole, Tavistock and West Devon have a greater proportion of detached properties and smaller percentage of semis than the national average. The proportion of terraced properties in Tavistock is similar to the national average (around 26%). Whilst flats make up a larger proportion of stock in Tavistock (18%) than the wider borough (11%), they are relatively under represented when compared to the national average (24%). Bungalows are more popular in Tavistock (15%) and the wider borough (16%) than in England as whole (9%).

Table 5-2: Accommodation type, various geographies, 2021

Dwelling type	Tavistock	West Devon	England
Bungalow	15.0%	16.2%	9.2%
Flat	18.3%	10.6%	23.7%
Terrace	26.6%	23.6%	26.1%
Semi-detached	19.9%	19.4%	23.7%
Detached	19.6%	28.3%	15.8%
Unknown/other	0.7%	1.9%	1.4%

Source: VOA 2021, AECOM Calculations

Dwelling size

5.12 In terms of dwelling size, the VOA data¹⁴ (Table 5-3) shows that Tavistock's stock is characterised by a prevalence of 3 bedroom properties (37%) which is the case nationwide. The next most common size of dwelling is 2 bedrooms (33%). Larger properties (4 bedroom and over) make up 19% of stock with 1 bedroom dwellings making up around 11% of stock. The size distribution in 2021 shows a shift towards medium and smaller sized properties compared to the situation in 2011.

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

Number of bedrooms	2011 (Census)	2021 (VOA)
Studio	0.1%	-
1	10.9%	10.9%
2	30.6%	32.8%
3	35.1%	37.4%
4	18.4%	16.0%
5+	4.9%	3.0%
Unknown	0	0
Total	100%	100%

Source: ONS 2011, VOA 2021, AECOM Calculations

5.13 Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country (Table 5-4). The NA's housing stock has a greater proportion of smaller dwellings (1-2 bedrooms) at around 44% of stock compared to 36% for the wider borough and 41% nationwide. There is a correspondingly smaller proportion of medium sized (3 bedroom) properties in Tavistock (37%) compared to West Devon (40%) and nationally (43%). Larger dwellings (4 bedroom and over) make up a smaller proportion of stock in Tavistock (19%) than in the wider borough (23%), both being substantially higher than the national average (15%).

5.14 The greater proportion of smaller properties is positive in terms of affordability, particularly for new forming households as smaller dwellings tend to be more affordable. This may also help older households downsize, should they wish to do so. This is explored further below in the section on occupancy ratings.

¹⁴ VOA data is rounded to the nearest ten for each dwelling category and records a number of properties with an unknown number of rooms. The newest data available is for 2021 – which misses any homes completed in recent months.

Table 5-4: Dwelling size (bedrooms), various geographies, 2021

Number of bedrooms	Tavistock	West Devon	England
1	10.9%	7.6%	12.6%
2	32.8%	28.8%	28.4%
3	37.4%	40.3%	43.0%
4	16.0%	17.4%	12.1%
5+	3.0%	6.0%	3.3%

Source: VOA 2021, AECOM Calculations

Age and household composition

5.15 Having established the current stock profile of Tavistock and identified recent changes to it, the evidence gathered below examines the composition and age structure of households living in the NA. Many of these indicators have a bearing on what housing might be needed in future years.

Age structure

5.16 Table 5-6 shows the most recent 2021 Census age structure of the NA population, alongside 2011 Census figures. Despite the relatively similar overall age profile, a number of changes are evident. Most notably, the 65-84 age group has grown substantially to form 26% of the population in 2021 whilst all the younger age groups declined except for the 45-64 cohort which remained unchanged. Looking at the rate of change in the intercensal years shows the 65-84 and 85 plus cohorts growing the most whilst 16-24 cohort experienced the biggest decline (-23%). In 2021 the 45 and plus ages groups formed almost 60% of the population. It is likely that ageing will be a major driver of housing need in the parish in future years. The data also suggest that some young adults are leaving the NA, which may reflect a lack of suitable options for newly forming households.

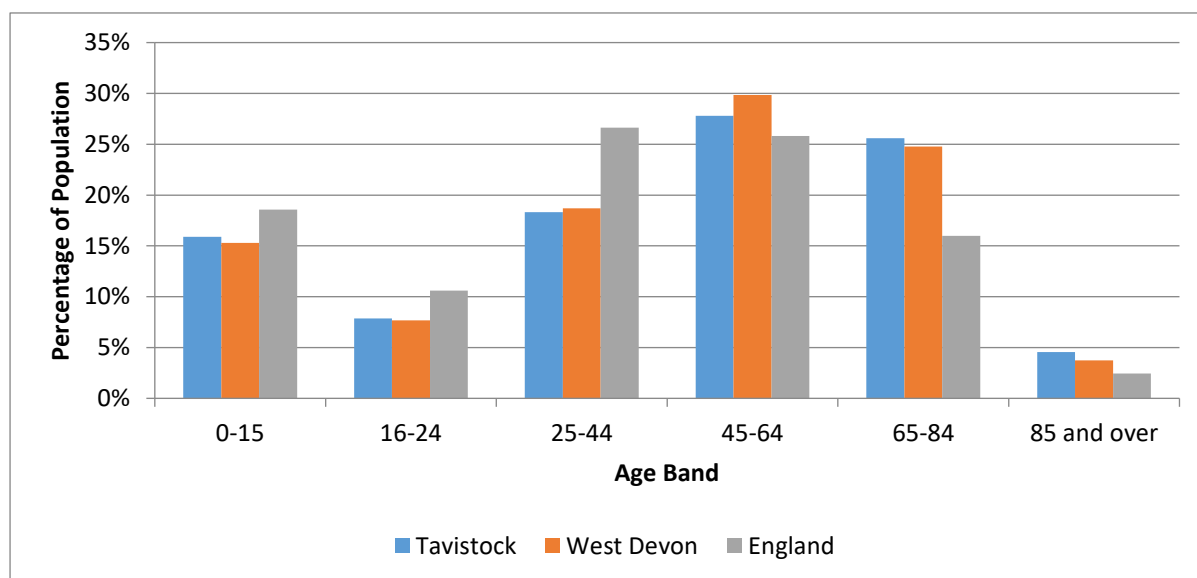
5.17 It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

Table 5-6: Age structure of Tavistock population, 2011 and 2021

Age group	2011 Census		2021 Census		% Change
0-15	2,128	17%	2,014	16%	-6%
16-24	1,223	10%	996	8%	-23%
25-44	2,517	20%	2,322	18%	-8%
45-64	3,515	29%	3,526	28%	0%
65-84	2,454	20%	3,245	26%	24%
85 and over	443	4%	577	5%	23%
Total	12,280	100%	12,680	100%	3%

Source: Census 2011, Census-2021, AECOM Calculations

5.18 For context, it is useful to look at the parish population structure alongside that of the borough and country. Figure 5-1 (using 2021 Census data) shows that like the rest of the borough, Tavistock has smaller proportions of the younger age groups (0-15, 16-24, 25-44) than England as a whole. Conversely, the proportions of older cohorts (45-64, 65-84, 85 plus) are greater in Tavistock and West Devon than the rest of England.

Figure 5-1: Age structure in Tavistock, 2021

Source: Census 2021, AECOM Calculations

Household composition

- 5.19 Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-7 shows that Tavistock has a greater proportion of single person households than the wider geographies with more of those aged 66 and over. As for family households, both Tavistock and West Devon have a much higher proportion of family households aged over 66. Of those younger than 66, the balance between families with and without children favours those with no children. In summary, there are comparatively more people living alone in Tavistock, with many more older couples and couples without young children.
- 5.20 The proportion of family households younger than 66 declined across all categories (with/ without children and with dependent children) in Tavistock and the wider borough since the 2011 Census in contrast with modest growths in the corresponding categories at national level. The proportion of single person households aged 66 plus grew substantially in Tavistock and the borough (both around 23%) compared to a decline of 7% nationally. Similarly, family households aged 66 and over grew markedly in Tavistock (37%) and the wider borough (34%) compared to a 2% decline for England as a whole. The proportion of 'other' households – i.e. those in multiple household groups such as multigenerational families, housing in multiple occupation (HMOs) and other house share situations sits at a relatively low at 3%. This category has declined by 23% in Tavistock since the 2011 Census, indicating a decrease in such forms of living.

Table 5-7: Household composition, Tavistock, 2021

Household composition		Tavistock	West Devon	England
One person household	Total	34.6%	29.4%	30.1%
	Aged 66 and over	19.4%	16.4%	12.8%
	Other	15.3%	13.0%	17.3%
One family only	Total	62.3%	65.7%	63.0%
	All aged 66 and over	15.3%	15.0%	9.2%
	With no children	12.5%	14.7%	10.4%
	With dependent children	11.6%	12.3%	14.4%
	With non-dependent children ¹⁵	5.0%	5.6%	5.6%
Other household types	Total	3.1%	4.9%	6.9%

Source: ONS 2021, AECOM Calculations

Occupancy ratings

5.21 The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.

5.22 Table 5-8 below shows that in Tavistock, a combined 75% of households live in a home with at least one bedroom more than they would be expected to need, and 40% have two or more extra bedrooms. Only 2% of households have too few.

5.23 The previous chapter established the high property values in the area, so it would appear that the largest homes are not necessarily occupied by those with the largest families but by those with the financial capacity to do so, irrespective of their household size, or by older people who have not chosen or be able to move to smaller properties. This latter point is confirmed when considering the data for

¹⁵ Refers to households containing children who are older than 18 e.g students or young working people living at home.

different household types. Around 94% of couples aged over 65 have more bedrooms than they would be expected to need.

Table 5-8: Occupancy rating by age in Tavistock, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	65.8%	28.5%	5.5%	0.2%
Single person 65+	37.3%	41.9%	20.8%	0.0%
Family under 65 - no children	65.4%	29.5%	5.0%	0.0%
Family under 65 - dependent children	23.7%	36.1%	35.2%	5.0%
Family under 65 - adult children	25.7%	39.1%	33.0%	2.2%
Single person under 65	29.6%	38.5%	31.9%	0.0%
All households	40%	35%	23%	2%

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

Indicative future dwelling size mix

5.24 As noted above, there is a strong link between the life stage of a household and the size of dwelling that household can be expected to need. The final part of this chapter presents the results of a model that aims to estimate the dwelling size needs of the parish at the end of the Neighbourhood Plan period. The steps involved in this model are not presented in full, but can be summarised – along with the underpinning assumptions and some limitations – as follows:

- The starting point is the age distribution of Tavistock households in 2011.
 - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
 - As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
 - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.
- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of

households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.

- This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.
- The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
- Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
 - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.

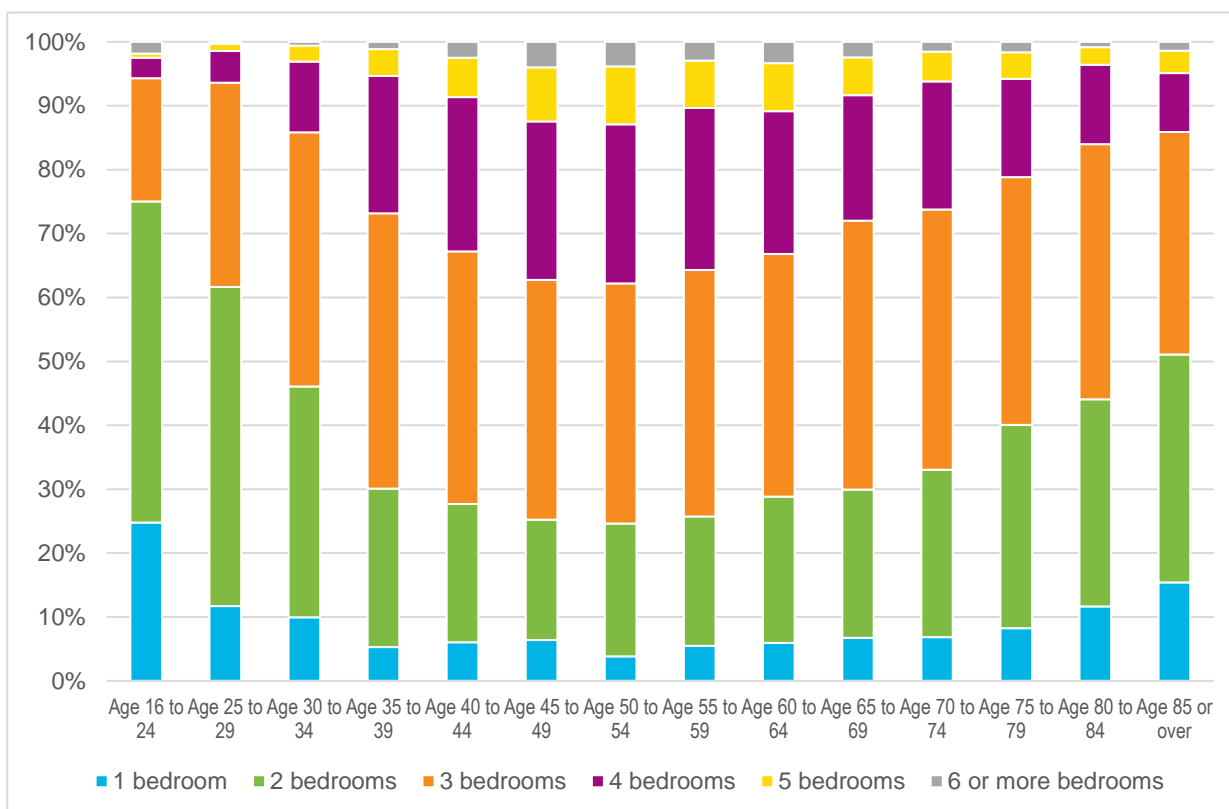
5.25 It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.

5.26 The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is considered entirely appropriate for the purpose of drafting neighbourhood plan policy.

5.27 Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.

5.28 The first, given as Figure 5-2, sets out the relationship between household life stage and dwelling size for west Devon in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-2: Age of household reference person by dwelling size in West Devon Borough Council, 2011



Source: ONS 2011, AECOM Calculations

5.29 The second dataset of note is the result of applying Local Authority level household projections to the age profile of Tavistock households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-9 makes it clear that population growth can be expected to be driven by the oldest households, with a projected 62% growth rate for the oldest households while the youngest age group (24 & under) is expected to decline by 13% and the 35-54 cohort will also decline by 9%. The number of households aged over 65 is expected to increase by 1,199 to become the largest demographic group at 48% of the total.

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

Year	24 & under	25 to 34	35 to 54	55 to 64	65 & over
2011	166	524	1,819	1,015	1,943
2034	144	546	1,656	1,083	3,142
% change 2011-2034	-13%	4%	-9%	7%	62%

Source: AECOM Calculations

5.30 The final result of this exercise is presented in Table 5-10. The model suggests that new residential development would best address the changing needs of the local population by focusing on mid-sized homes (3 bedroom) followed by larger 4+ bedroom homes. There is likely to be moderate need for 2 bedroom dwellings but less so for 1 bedroom dwellings.

5.31 The model suggests that new construction should continue boosting the supply of medium sized (3-bedroom) homes as these are likely to continue to be needed as generally the most popular option among many groups. This exercise suggests that less priority should be given to the development of small homes because there appears to be a sufficient supply in the existing stock in terms of what the population is expected to need, particularly in the case of 1 bedroom units. This is further corroborated by the housing register data provided by WDBC which shows that the highest demand is for 3 bedroom family homes¹⁶ followed by 2 bedroom homes then 1 bedroom units. This also aligns with the Steering Group's observation that there is a lack of affordable family housing (medium homes) which often forces young families to leave the parish in search of suitable affordable accommodation elsewhere.

Table 5-10: Indicative dwelling size mix to 2034, Tavistock

Number of bedrooms	Current mix (2011)	Indicative mix (2034)	Balance of new housing to reach indicative mix
1 bedroom	10.9%	8.1%	0.0%
2 bedrooms	30.6%	27.3%	10.1%
3 bedrooms	35.1%	38.6%	52.4%
4 bedrooms	18.4%	18.5%	18.1%
5 or more bedrooms	4.9%	7.6%	19.5%

Source: AECOM Calculations

5.32 However, it is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.

5.33 For example, the young starter families and downsizing older households mentioned above may both need 'mid-sized' homes, but are likely to have extremely different requirements and degrees of purchasing power. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing, but additional guidance and prioritisation could be informed by further primary research.

5.34 The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.

¹⁶ As indicated by the average number of bids for 3-bedroom homes.

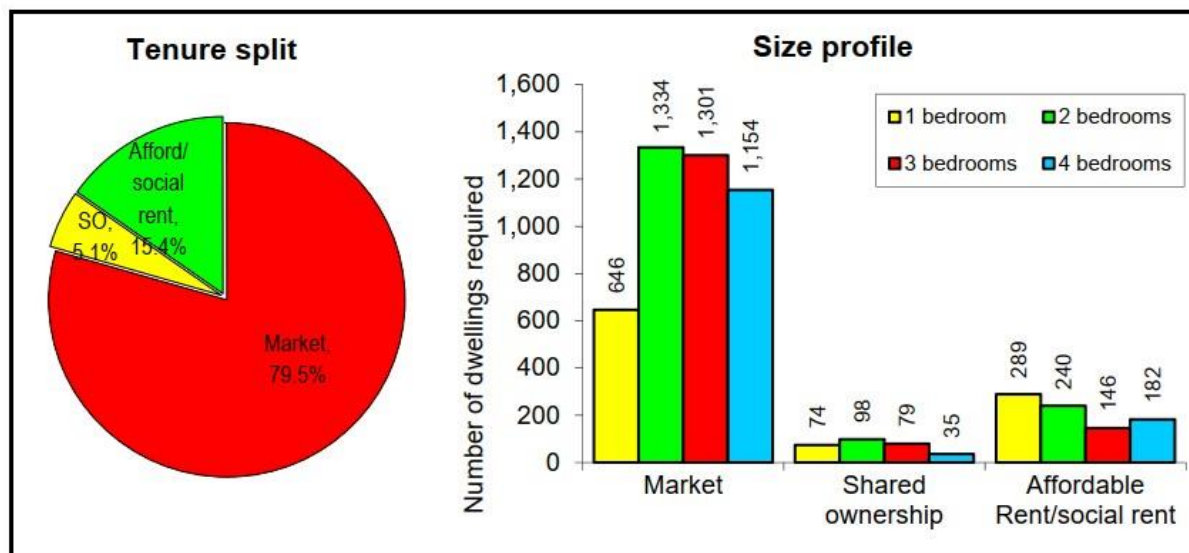
5.35 To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people’s requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.

5.36 More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized homes but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

The SHMA findings

5.37 The SHMA proposed dwelling size mix for West Devon suggests more provision of 2 bedroom (c. 30%), 3 bedroom (c. 27%) and 4 bedroom (c. 25%) homes with a smaller proportion of 1 bedroom units (c. 18%). The SHMA recommends different size distributions for each tenure such as market/ affordable housing and affordable rents/ shared ownership homes, this is summarised in Figure 5-3 below.

Figure 5-3: The SHMA proposed housing mix for West Devon



Source: [SHMA 2017](#)

Conclusions- Type and Size

5.38 This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

The existing housing stock

5.39 Tavistock has a greater proportion of detached properties and smaller percentage of semis than the national average. The proportion of terraced properties in Tavistock is similar to the national average (around 26%). Whilst flats make up a larger proportion of stock in Tavistock (18%) than the wider borough (11%), they are relatively under represented when compared to the national average (24%). Bungalows are more popular in Tavistock (15%) and the wider borough (16%) than in England as whole (9%).

5.40 In terms of dwelling size, Tavistock's stock is characterised by a prevalence of 3 bedroom properties (37%) which is the case nationwide. The next most popular size of dwelling is 2 bedrooms (33%). Larger properties (4 bedroom and over) make up 19% of stock with 1 bedroom dwellings making up around 11% of stock. The size distribution in 2021 shows a shift towards medium and smaller sized properties compared to the situation in 2011.

Demographics

5.41 Tavistock's population has an ageing profile as demonstrated by the growth in the older age groups between the 2011 and 2021 Census. Most notably, the 65-84 age group has grown substantially to form 26% of the population in 2021 whilst all the younger age groups declined except for the 45-64 cohort which remained unchanged. Looking at the rate of change in the intercensal years shows the 65-84 and 85 plus cohorts growing the most while the 16-24 cohort experienced the biggest decline (-23%). In 2021 residents aged 45 and over formed almost 60% of the population. It is likely that ageing will be a major driver of housing need in the parish in future years. The data also suggest that some young adults are leaving the NA, which may reflect a lack of suitable options for newly forming households.

5.42 Compared to wider borough and England, Tavistock has smaller proportions of the younger age groups (0-15, 16-24, 25-44) than England as a whole. Conversely, the proportions of older cohorts (45-64, 65-84, 85 plus) are greater in Tavistock and West Devon than the national average.

5.43 Tavistock has a greater proportion of single person households than the wider geographies with more of those being 66 and over in age. As for family households, both Tavistock and West Devon have a much higher proportion of

family households aged over 66. Of those younger than 66, the balance between families with and without children favours those with no children. In summary, there are comparatively more people living alone in Tavistock, with many more older couples and couples without young children.

- 5.44 The census 2021 household composition data shows the proportion of family households younger than 66 declining in Tavistock and the wider borough since the 2011 Census in contrast with modest growths at national level. The proportion of single person households aged 66 plus grew substantially in Tavistock and the borough (both around 23%) compared to a decline of 7% nationally. Similarly, family households aged 66 and over grew markedly in Tavistock (37%) and the wider borough (34%) compared to a 2% decline for England as a whole.
- 5.45 Tavistock has a high degree of under occupancy with 75% of households living in a home with at least one bedroom more than they would be expected to need, and 40% have two or more extra bedrooms. Only 2% of households have too few.
- 5.46 The previous chapter established the high property values in the area, so it would appear that the largest homes are not necessarily occupied by those with the largest families but by those with the financial capacity to do so, irrespective of their household size, or by older people who have not chosen or be able to move to smaller properties. This latter point is confirmed when considering the data for different household types. Around 94% of couples aged over 65 have more bedrooms than they would be expected to need.

The future dwelling mix

- 5.47 The results of the modelling exercise, which looks at the size of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the plan period, suggests that any new residential development would best address the changing needs of the local population by focusing on mid-sized homes (3 bedroom) followed by larger 4+ bedroom homes. There is likely to be moderate need for 2 bedroom dwellings but less so for 1 bedroom dwellings.
- 5.48 The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.
- 5.49 To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from

their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.

5.50 In terms of dwelling type, this study cannot be prescriptive about what types are 'needed', but there is a balance to be struck between, on the one hand, improving choice in the market and affordability by encouraging flats and terraces, and, on the other hand, preserving the features that residents like about Tavistock at present.

6. RQ 3: Specialist housing for older people

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

Introduction

6.1 This chapter considers in detail the specialist housing needs of older and disabled people in Tavistock. The level of care associated with specialist housing products can vary widely, and is broadly categorised, in descending order from highest to lowest care level, as follows

- Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);
- Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and
- Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.

6.2 People experience ageing differently. Much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age while others may need support and care much earlier in their lives. Some will be interested in moving to a suitable home closer to services while for others ageing independently in place will be key to their wellbeing.

6.3 Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.

6.4 The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,¹⁷ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

6.5 It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need

¹⁷ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁸

- 6.6 This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁹ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.

Current supply of specialist housing for older people

- 6.7 When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: <http://www.housingcare.org>.
- 6.8 Table 6-1 counts a total of 297 units of specialist accommodation in Tavistock at present, around 40% of which are available for social rent for those in financial need, with the remainder being offered for leasehold market purchase or market rent. The vast majority are offered as sheltered or age restricted housing rather than offering substantial onsite care.
- 6.9 The 2021 Census shows there are currently around 1,920 individuals aged 75 or over in Tavistock. This suggests that current provision is in the region of 155 units per 1,000 of the 75+ population (a common measure of specialist housing supply).

¹⁸ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁹ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Table 6-1: Existing specialist housing for Older People in Tavistock

	Name	Description	Units	Tenure	Type
1	Armada Court	1 bedroom flats	25	Rent (social landlord)	Retirement housing
2	Crelake Court	Flats/ bungalows -1 bedroom	35	Rent (social landlord)	Retirement housing
3	Drake Lodge	Studios/ 1 bedroom flats	18	Rent (social landlord)	Retirement housing
4	Fitzford Lodge	1 and 2 bedroom flats	48	Leasehold	Retirement housing
5	Ford Street & Maynard Almhouses	1 bedroom flats	12	Licence-Almhouses	Age exclusive housing
6	Friendship Court	flats	6	Rent (social landlord)	Retirement housing
7	Kelly Gardens	2-3 bedroom detached homes	12	Freehold	Age exclusive housing
8	Little Field Court	2-3 bedroom bungalows	11	Freehold	Age exclusive housing
9	Orchard Cottages	2 bedroom houses	7	Leasehold	Retirement housing/ Close care housing
10	Parkwood Court	1-2 bedroom flats Wheelchair accessible	36	Leasehold	Retirement housing
11	Pinder Court	1 bedroom flats	30	Rent (social landlord)	Retirement housing
12	St. John's Court	1-2 bedroom flats – Wheelchair accessible	51	Leasehold	Retirement housing
13	Thornhill Bungalows	Studio bungalows 24/7 Care Support (on-site)	6	Market rent	Housing-with-care

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

Tenure-led projections

6.10 Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across West Devon Borough Council, as this is the most recent and smallest geography for which tenure by age bracket data is available.

6.11 The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2034. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private

or social sectors, are projected to need affordable rented specialist accommodation.

6.12 According to Table 6-2, the vast majority of 55-75 year olds in West Devon in 2011 owned their own homes (91% of households). The remaining 9% rented their home, mostly through social renting (7%) followed by private rents (2%). It may be surmised that the existing stock of specialist older persons housing in the Tavistock does not cater enough for the owner occupied sector based on Table 6-2. However, this is before taking into consideration mobility limitations specific to the NA and the fact that home adaptations may be more suitable for households that own their own home than those living in the social rented or private rented sector.

Table 6-2: Tenure of households aged 55-75 in West Devon Borough Council, 2011

All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
91.0%	68.0%	23.0%	9.0%	6.9%	1.9%	0.2%

Source: Census 2011

6.13 The next step is to project how the overall number of older people in Tavistock is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for West Devon Borough Council at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results (Table 6-3) show that Tavistock has a bigger proportion of people aged 75 and over than West Devon, both in 2011 and in 2034. In this period the proportion of Tavistock's residents aged 75 plus is projected to grow from 11.6% of the population in 2011 to 18.6% in 2034.

Table 6-3: Modelled projection of older population in Tavistock by end of Plan period

Age group	2011		2034	
	Tavistock	West Devon	Tavistock	West Devon
All ages	12,280	53,553	13,807	60,214
75+	1,420	5,711	2,570	10,337
%	11.6%	10.7%	18.6%	17.2%

Source: ONS SNPP 2020, AECOM Calculations

6.14 A key assumption for the next stages of the calculation is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made

appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture).

6.15 The people whose needs are the focus of the subsequent analysis are therefore the additional 1,150 individuals expected to join the 75+ age group by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in West Devon in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 5,711 individuals aged 75+ and 3,916 households headed by a person in that age group. The average household size is therefore 1.46, and the projected growth of 1,150 people in Tavistock can be estimated to be formed into around 789 households.

6.16 The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above). This is set out in Table 6-4. This provides a breakdown of which tenures those households are likely to need.

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

Owned	Owned outright	Owned (mortgage) or shared ownership	All rented	Social rented	Private rented	Living rent free
718	536	182	71	54	15	1

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

6.17 Next, rates of disability by tenure are considered. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table 6-5 presents this data for Tavistock from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group. The NA aligns with the assumptions above with the largest proportion of households with their day-to-day activities limited a lot living in the social rented sector, at 39% of households.

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

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	565	20.1%	729	25.9%	1,516	54.0%
<i>Owned Total</i>	420	17.7%	602	25.3%	1,353	57.0%
Owned outright	371	17.5%	544	25.7%	1,203	56.8%
Owned (mortgage) or shared ownership	49	19.1%	58	22.6%	150	58.4%
<i>Rented Total</i>	145	33.3%	127	29.2%	163	37.5%
Social rented	91	38.9%	74	31.6%	69	29.5%
Private rented or living rent free	54	26.9%	53	26.4%	94	46.8%

Source: DC3408EW Health status

6.18 It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 353.

6.19 These findings are set out in the table, based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

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

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	151
	24	127	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	203
	21	182	
Total	44	309	353

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

6.20 It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the most simple and widely used models estimating for the housing needs of older people. It reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

6.21 It is worth highlighting that the HLIN model suggests that the level of unmet demand for specialist housing for older people of all kinds is approximately 251 units per 1,000 of the population aged 75+. As noted at the start of this chapter, the current rate in Tavistock is roughly 155 units per 1,000 older people, which is well below the target.

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

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

Source: Housing LIN SHOP Toolkit

6.22 As Table 6-3 shows, Tavistock is forecast to see an increase of 1,150 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 1.15 = 69$
- Leasehold sheltered housing = $120 \times 1.15 = 138$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 1.15 = 23$
- Extra care housing for rent = $15 \times 1.15 = 17$
- Extra care housing for sale = $30 \times 1.15 = 35$
- Housing based provision for dementia = $6 \times 1.15 = 7$

6.23 This produces an overall total of 289 specialist dwellings which might be required by the end of the plan period.

6.24 Table 6-8 sets out the HLIN recommendations in the same format as Table 6-6. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates.

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

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	82
	36	46	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	207
	69	138	
Total	105	184	289

Source: Housing LIN, AECOM calculations

SHMA findings

- 6.25 The SHMA's indicated that the population aged 65 or over is going to increase dramatically over the plan period from 81,778 in 2014 to 115,571 in 2034 (JLP area) a rise of 41%
- 6.26 The SHMA estimated that the HMA had a supply of 3,897 units of specialist older housing for older people, equating to 106 units per 1,000. Our calculations above show Tavistock has a slightly higher rate of 155 per 1000. The SHMA notes that some 68% of this accommodation is in the affordable sector.
- 6.27 The SHMA estimates there were 530 specialist housing units for older people in West Devon, equivalent to 86 per 1000 and estimated future need (over the JLP period) using various rates of usage (106/ 1000, 170/1000 and 138/1000). This produced an estimated need in the range of 795 to 1,571 additional units by 2034. Pro rating this estimate to Tavistock based on share (22.2%) of West Devon's population produces a need in the range of 176 to 349.
- 6.28 In terms of additional Registered Care requirements, the SHMA estimates a need for a total of 1,397 spaces in West Devon by 2034 suggesting an additional 724 spaces will be required.

Conclusions- Specialist Housing for Older People

- 6.29 The current specialist housing stock for older persons in Tavistock consists of a total of 297 units of specialist accommodation at present, around 40% of which are available for social rent for those in financial need, with the remainder being offered for leasehold market purchase or market rent. The vast majority are offered as sheltered or age restricted housing rather than offering substantial onsite care.
- 6.30 It is projected that there will be an increase of 1,150 individuals in the 75+ age group between 2011 and 2034 in Tavistock, increasing the proportion of people in this age group from 12% to 19% by the end of NP period.
- 6.31 The potential need for specialist housing with some form of additional age restriction or care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 6.32 These two methods of estimating the future need in Tavistock produce a range of 289 to 353 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. The rate of provision in Tavistock currently is below the level suggested by HLIN.
- 6.33 It is important to take into consideration the breakdown of levels of care and tenure within the need for specialist housing for older persons. When considering the AECOM calculations outlined in Table 6-6, the majority of the need, at 88%, is identified for specialist market housing. Slightly more need is identified for sheltered housing at 58% compared to 43% extra-care. Extra-care may need to form a higher share given the present lack of this form of accommodation. The greatest sub-category of need was identified for market sheltered housing at 52% of the total need. However, this need is for individuals with less severe limitations and market housing is considered the most appropriate for adaptations, so at least some of this need could be met through adaptations or through ensuring that all new housing is accessible and adaptable for people with lower support needs.
- 6.34 West Devon's adopted policy on DEV9 (Meeting local housing need in the Plan Area) requires a minimum of 20% of dwellings on schemes larger than 5 units to meet national standards for accessibility and adaptability (M4 (2) of the building regs.). Additionally, 2% of dwellings on schemes of 50 plus units, are required to meet national standards (M4-3) for wheelchair user homes. If these requirements were to be met on the JLP allocations for Tavistock a total of 239 units will meet the M4(2) accessibility/ adaptability standards and 23 dwellings would meet the M4(3) wheelchair use homes standard. This will be helpful in allowing some of the older residents with lower support needs to remain independent for longer

thus reducing pressure on the limited specialist accommodation in the parish. Groups may also be able to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged that Neighbourhood Plans may have limited influence over changes to the existing stock).

- 6.35 It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, and the localised evidence gathered here would further justify this. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey.
- 6.36 While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
- 6.37 Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
- 6.38 It is considered that Tavistock is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Tavistock in other suitable locations near to but outside the Plan area boundaries). Where it is considered for any reason desirable to meet some of the specialist need outside the Neighbourhood Area boundaries, there will be a degree of overlap between the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Area itself.
- 6.39 Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

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7. Next Steps

Recommendations for next steps

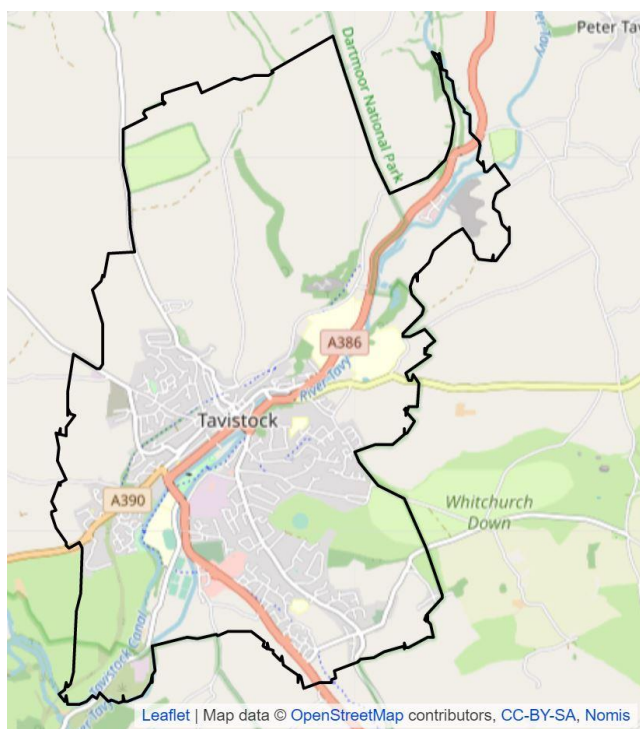
- 7.1 This Neighbourhood Plan housing needs assessment aims to provide Tavistock with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with West Devon Borough Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
 - The views of West Devon Borough Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by West Devon Borough Council.
- 7.2 This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
- 7.3 Bearing this in mind, it is recommended that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, West Devon Borough Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 7.4 At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Calculation of Affordability Thresholds

Assessment geography

1. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Area. Such data is available at MSOA level but not at the level of Neighbourhood Areas.
2. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Area. In the case of Tavistock, it is considered that MSOA West Devon 005 (E02004233) is the closest realistic proxy for the Neighbourhood Area boundary when looking at income data, and as such, this is the assessment geography that has been selected. A map of West Devon 005 appears in Figure A-1.

Figure A-1: MSOA West Devon 005 (E02004233) used as a best-fit geographical proxy for the Neighbourhood Area



Source: ONS

A.1 Market housing

3. Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.
4. To determine affordability in market housing, this assessment considers two

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

i) Market sales

5. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
6. To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Tavistock, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
7. The calculation for the purchase threshold for market housing is as follows:
 - Value of a median NA house price (2021) = £269,750 ;
 - Purchase deposit at 10% of value = £26,975;
 - Value of dwelling for mortgage purposes = £242,775;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £69,364.
8. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2021 was £202,478 and the purchase threshold is therefore £52,066.
9. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 59 sales of new build properties in Tavistock in 2021 with a median price of £345,950 and a purchase threshold of £88,959. AECOM has calculated the cost of new build entry-level housing in the NA in 2021. This is important as it is the expected lower end of the market for new housing in the near future, and it is also the benchmark used for the likely cost of affordable home ownership products (calculated later in the Appendix). The estimated NA new build entry-level house price is calculated by determining the median price of new build terraced homes and flat sales in Tavistock in 2021 to give an estimated NA new build entry-level house price of £289,995 and

purchase threshold of £74,570.

10. In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across West Devon in 2021. The median cost of new build dwellings in West Devon was £296,505 with a purchase threshold of £84,716. This indicates that new build house prices are higher in Tavistock than the wider borough by around 17%.

ii) Private Rented Sector (PRS)

11. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.
12. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
13. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Area.
14. According to [home.co.uk](https://www.home.co.uk), there were 10 properties for rent at the time of search in November 2022, with an average monthly rent of £1,024. There were 4 two-bed properties listed, with an average price of £790 per calendar month.
15. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
 - Annual rent = £790 x 12 = £9,480;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £31,600.
16. The calculation is repeated for the overall average to give an income threshold of £40,960.

A.2 Affordable Housing

17. There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2021: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. More recently, a new product called First Homes has been introduced in 2021. Each of the affordable

housing tenures are considered below.

i) Social rent

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

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£79.25	£91.08	£101.68	£120.40	£92.09
Annual average	£4,121	£4,736	£5,287	£6,261	£4,789
Income needed	£13,723	£15,771	£17,607	£20,848	£15,946

Source: Homes England, AECOM Calculations

ii) Affordable rent

21. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
22. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

23. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for West Devon. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
24. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the Tavistock are actually closer to 64% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£95.02	£108.65	£130.75	£166.79	£115.90
Annual average	£4,941	£5,650	£6,799	£8,673	£6,027
Income needed	£16,454	£18,814	£22,641	£28,881	£20,069

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

25. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.
26. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

First Homes

27. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.
28. The starting point for these calculations is therefore the estimated cost of new build entry-level housing in the NA noted above of £289,995.

29. For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (NA new build entry-level) = £289,995;
 - Discounted by 30% = £202,997;
 - Purchase deposit at 10% of value = £20,300;
 - Value of dwelling for mortgage purposes = £182,697;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £52,199.
30. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £44,742 and £37,285 respectively.
31. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
32. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m²⁰) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Tavistock.

Shared ownership

33. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
34. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
35. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit

²⁰ It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

36. The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £289,995 is £72,499;
 - A 10% deposit of £7,250 is deducted, leaving a mortgage value of £65,249;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £18,643;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £217,496;
 - The estimated annual rent at 2.5% of the unsold value is £5,437;
 - This requires an income of £18,125 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £36,767 (£18,643 plus £18,125).
37. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £29,207 and £49,368 respectively.
38. All the above are below the £80,000 cap for eligible households.

Rent to Buy

39. Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Help to Buy (Equity Loan)

40. The Help to Buy Equity Loan is not an affordable housing tenure but allows households to afford market housing through a loan provided by the government. With a Help to Buy Equity Loan the government lends up to 20% (40% in London) of the cost of a newly built home. The household must pay a deposit of 5% or more and arrange a mortgage of 25% or more to make up the rest. Buyers are not charged interest on the 20% loan for the first five years of owning the home.
41. It is important to note that this product widens access to market housing but does

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Tavistock Neighbourhood Plan Housing Needs Assessment

not provide an affordable home in perpetuity.

Appendix B : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

- a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).
- b) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
- c) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost

homes for sale (at a price equivalent to at least 20% below local market value) and Rent to Buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²¹.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard²²

The bedroom standard is a measure of occupancy (whether a property is overcrowded or under-occupied, based on the number of bedrooms in a property and the type of

²¹ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²² See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

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 principal 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 Order²³

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

Concealed Families (Census definition)²⁴

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

Equity Loans/Shared Equity

²³ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²⁴ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁵, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

²⁵ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75% (though this was lowered in 2021 to a minimum of 10%), and buyers are encouraged to buy the largest

share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

Sheltered Housing²⁶

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 bed roomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

²⁶ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.²⁷

²⁷ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

