

Bovingdon

Housing Needs Assessment (HNA)

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Quality information

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List of acronyms used in the text:

DBC	Dacorum Borough Council
DLUHC MHCLG)	Department for Levelling Up, Housing and Communities (formerly MHCLG)
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
LHN	Local Housing Need
LPA	Local Planning Authority
NA	Neighbourhood (Plan) Area
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
VOA	Valuation Office Agency

1. Executive Summary

Conclusions- Tenure and Affordability

Affordability issues

1. Bovingdon's current tenure mix reveals that the parish has a higher rate of home ownership than wider Dacorum and England, while social renting is far less common. Rates of private renting and shared ownership are broadly similar to wider averages. While precise figures are unknown, given annual totals supplied by DBC it is unlikely that much if any further Affordable Housing has been delivered in the parish since the 2011 Census (barring a single 5-unit site identified by the Steering Group).
2. Home values in Bovingdon have increased significantly over the last ten years, with the result that the average entry-level home now costs £358,000 – around £140,500 more than in 2011 – while the median is £159,500 higher at £439,500. Property in Bovingdon is similarly priced to that across Dacorum as a whole.
3. The low availability of lower-cost options and the high price appreciation of all housing together present a potentially immense challenge for those with lower incomes or without equity in an existing home who wish to buy locally.
4. Newly built housing, which is the key area of influence for the Neighbourhood Plan, is likely to command an additional price premium above equivalent existing house prices, which is a further obstacle to households relying on new development to enable them to live locally, whether in open market housing or through affordable routes to ownership like shared ownership and First Homes which will be priced with reference to their open market value.

Tenure options

5. 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 Bovingdon is £51,700, and the lower quartile income (per person) for Dacorum was £15,904 in 2019.
6. The CDA Herts survey provides further detail on incomes and buying power among local people who need to move, indicating that most households in this category have lower than average incomes and that only the upper part of the wide range of local incomes is sufficient to afford local housing costs.
7. Comparing housing costs with incomes we find that a household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home in the area. Home ownership through the mainstream market is not an option for the majority of local people. Besides the difficulty of affording ongoing mortgage costs, few respondents to the survey have enough savings for the deposit that would be required to purchase a property.
8. Private renting is generally more affordable than ownership in Bovingdon, but still only an option for higher earners. It offers a more affordable and flexible option than ownership, and can also accommodate lower earners in receipt of housing benefit. While this tenure category grew by 135% between 2001 and 2011 (and has likely continued to do so), it remains a small but valuable part of the tenure mix.

9. The CDA Herts survey indicated that only 19% of those needing to move can afford a monthly rent above £800 (equivalent to an entry-level flat) even if a higher proportion (38%) exceed the income of £30,000 that would be needed according to the HNA assumptions. If rented homes are available at the prices estimated here, they appear to be affordable only to average earning households.
10. There is a relatively large group of households in Bovingdon who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £35,000 per year (at which point entry-level rents become affordable) and £90,000 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
11. 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, while rent to buy offers poorer long-term prospects but is helpful to those with little or no savings for a deposit, and First Homes at a 50% discount provides the best long-term support to those with slightly higher incomes able to afford both the mortgage and the deposit.
12. Neighbourhood plan qualifying bodies will 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 highest possible discount level of 50% is necessary and justified in Bovingdon. Seeking higher discounts on First Homes may, however, have viability implications on schemes that could reduce the overall number of affordable homes, so the potential implications should be thought through with DBC.
13. Affordable rented housing is affordable to households with two lower earners (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered other than the smallest socially rented units. The weekly rent for a 1 bedroom social rented unit in Dacorum is £98.20, which is more than 14 of the 42 respondents to the CDA Herts survey about weekly housing funds could afford. Those with lower incomes will, if unable to secure a social rented dwelling or additional subsidy, need to live in a room in a shared house using housing benefit. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Bovingdon as the only option for a large segment of those in the greatest need.

Quantity of Affordable Housing needed

14. This report estimates Bovingdon's Affordable Housing needs through two calculations that use up-to-date and 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.
15. The result of the first calculation is a surplus of 1.4 affordable rented units per year (or 24 over the 17-year Neighbourhood Plan period). This is initially surprising given that there is estimated to currently be a backlog of 55 households in need (according to DBC data cited in the CDA Herts survey because DBC were not able to provide an updated equivalent figure for Bovingdon residents). However, what the model is suggesting is that turnover in the existing stock (as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change) should be sufficient to meet newly arising needs as well as lessen the current backlog over time.
16. That said, because of the inevitable mismatch between needs and supply in terms of property size, the need to address the large backlog as soon as possible, and the

uncertainty around the current level of need, it is recommended that Bovingdon seeks to deliver some affordable rented housing, particularly early in the Plan period.

17. Turning to Affordable Housing providing a route to home ownership, it is estimated that around 11.1 households per year may be interested in such products (equating to a total of 183 over the Plan period).
18. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed already. 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.
19. It may not be achievable or even desirable to deliver this volume of affordable home ownership properties in the coming years as even greater numbers of market homes would be required to cross-subsidise delivery, many of the interested households might not be able to afford the necessary deposit, and there is a competing imperative to deliver affordable rented homes required for those with more urgent needs. However, this figure remains a useful indicator of the potential scale of demand and of the affordability challenge in Bovingdon.

Policy considerations

20. Dacorum's adopted policy on this subject (CS 19) requires 35% of all new housing to be affordable on sites larger than 5 dwellings. The emerging Local Plan raises the percentage target to 40% but applies it only to sites bringing forward more than 10 dwellings. It is likely that most windfall sites in the Bovingdon area would not meet the 10 dwelling threshold above which the policy applies, so the capacity for Affordable Housing delivery going forward largely depends on the larger sites allocated in the Local Plan.
21. 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 Bovingdon, and the community would benefit from efforts to maximise delivery where viable.
22. If 40% of the 240 new homes proposed for Bovingdon to 2038 are secured as affordable, this implies between 76 and 96 Affordable Housing units will be delivered (depending on how many of the 50 remaining after the 190 homes on allocated sites exceed the 10 unit threshold).
23. On the balance of factors listed in the Affordable Housing Policy Guidance section of this report, AECOM recommends that roughly 60% of Affordable Housing should take the form of rented tenures such as social and affordable rent (preferably the former), with the remaining 40% as affordable routes to home ownership, fulfilling the requirements of the new First Homes product and allowing for some shared ownership or other tenures to widen choice. This is an adjustment to the Local Plan default of 75% affordable rent to 25% affordable ownership to take account of the evidence gathered here for Bovingdon (as opposed to the whole of Dacorum).
24. However, there are three reasons why this might present a risk. The first is that the Local Plan places an explicit cap on the proportion of First Homes (at 25%) mandating that the remainder be provided as affordable/social rent. DBC may not be supportive of a Neighbourhood Plan tenure split that departs from this. Second, it would be worth monitoring the need among Bovingdon residents (or those with a local connection) on the housing register in case the figure used here is not representative. Third, the affordable home ownership products reviewed in this study appear unaffordable to most residents

because of the high cost of market housing in the area. First Homes and shared ownership would primarily help people earning just below average rather than focusing support on those in the most urgent need.

25. The tenure mix suggested above should therefore be seen as a potential option. It is AECOM's advice that it should only be taken forward if the Steering Group have considered the risks outlined above, discussed the matter with DBC and/or investigated further as newer data becomes available.

Conclusions- Type and Size

26. 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

27. According to the 2011 Census (the latest robust data on housing types), Bovingdon has a housing mix that is skewed toward typically less dense and larger homes – i.e. a higher proportion of detached and semi-detached homes than the district and country and fewer of the other denser types. However, the proportion of flats in Bovingdon is relatively close to wider averages, which is fairly unusual for a village.
28. Around 11% of homes in Bovingdon are bungalows, which is more than twice the Dacorum average but not dissimilar to the national rate. Although it is not necessarily a given that bungalows are be completely accessible (e.g. for an occupant using a wheelchair), and flats can be equally suitable for people with mobility limitations, the availability of bungalows may represent an appealing offering for older people and those with mobility challenges.
29. The size mix in Bovingdon aligns with the picture in terms of home types in that larger homes are over-represented compared with wider areas and there are correspondingly lower proportions of smaller homes. This is only the case to a relatively moderate degree, however, with no glaring gaps in the market evident.
30. The picture of the existing dwelling mix by type and size from the Census broadly aligns with the findings of the Steering Group survey except for a higher weighting towards detached and larger homes among respondents. This is assumed to reflect higher rates of survey response among residents in this type of housing rather than an increase in development of such homes.

Demographics

31. The age structure of the population is a key indicator of the future need for housing. Bovingdon had a broadly similar demographic profile to wider Dacorum at the time of the 2011 Census, but a significant degree of ageing appears to have taken place between the Census and the latest ONS estimates for 2019. The largest growth in actual numbers is in the 65-84 age band and the largest proportional growth is in the 85+ band. The 249 additional people in those highest age bands represents nearly 90% of the overall growth in the population. All of the age groups below age 45 are estimated to have declined, but

only slightly. There does not appear to be a significant issue with the loss of the younger replacement population; it is simply that older age groups are driving growth overall.

32. The prevalence of older people in the population is echoed in the Steering Group survey, which found that the highest number of people (in the households responding to the survey) fell into the 65-74 age band, with more than 200 people in each of the age bands above 45 years and closer to 100 in each of the younger ones. It is worth bearing in mind that the average age of respondents to household surveys tends to be higher than among the general population.
33. Applying ONS household projections for Dacorum to the Bovingdon population suggests that by 2038 the 65 and over cohort could increase by 58% from 2011 levels to become the dominant group at 38% of the projected total, while the youngest age groups remain stable. It is clear that ageing will be a major driver of housing need in Bovingdon going forward, whether older households intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving needs.
34. Bovingdon has a high rate of under-occupancy, with 80% of people living in a home with at least one bedroom more than they would be expected to need (at the time of the last Census). 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. Indeed, over-occupancy is strongly correlated with age, with those aged 50 and over much more likely to have more than two additional bedrooms.

The future dwelling mix

35. The results of a modelling exercise, which looks at the sizes 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 should be focused on 3 bedroom homes which, while already the most common are generally the most popular, suitable to many groups, and exist at lower proportions than across the district and country. The other clear recommendation is to further boost the supply of smaller homes from the current low base, while avoid too many additional large homes because their current numbers are already in line with (or exceeding) what the population is expected to need.
36. A further injection of small and mid-sized homes would both improve Bovingdon's offering for younger households who have few options for their next step on the property ladder and enable older households currently under-occupying larger homes to downsize and in so doing potentially create churn in the market (although it is acknowledged that many of the larger historic properties may be too expensive to be taken up by young local households).
37. The preceding chapter found that affordability is a serious and worsening challenge in Bovingdon. 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. Providing smaller homes with fewer bedrooms, as is recommended here, would help to address this situation.
38. However, it is generally not advisable to restrict the supply of specific size categories too strictly. Further considerations that would justify adjusting the recommended mix are summarised below.

Further considerations

39. The results of the Steering Group survey suggest that 1 bedroom homes are unpopular and that there will continue to be need for larger homes despite their relative abundance already. The CDA Herts survey also found a very high preference for 2 bedroom housing.
40. To best meet the needs of the large cohort of older households expected to be present by 2038, 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, whose needs are far from identical. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.
41. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a valid justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power. This is too speculative to quantify in a percentage size mix, but is among the good reasons not to overly inhibit any size of dwelling entirely (despite the results of the HNA model which argue against further supply of 4+ bedroom homes).
42. 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 and smaller 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.
43. To reflect these considerations and particularly the results of the two surveys, an additional recommended mix is provided: 10% of homes to have 1 bedroom, 35% to have 2 bedrooms, 40% to have 3 bedrooms, 10% to have 4 bedrooms and 5% to have 5 or more bedrooms. This represents a starting point for further thought and consultation.

Conclusions- Specialist housing for older people

Demographic trends and the quantity of housing needed

44. There are currently estimated to be around 485 people aged 75 or over living in Bovingdon. Applying district-level projections to Bovingdon's population suggests that the 75+ population in the parish will increase from 9% of the total currently to 13% in 2038 – equivalent to 265 additional older individuals and a 55% growth rate for that age cohort. There appear to be around 69 units of specialist accommodation in Bovingdon at present across two schemes.
45. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
46. These two methods of estimating the future need in Bovingdon produce a range of 67 to 80 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, either in the 69 units of

such accommodation that exist at present or through adaptations to their own homes. If this is perceived or found not to be the case, it would justify aspiring to exceed the range identified here.

47. The two household surveys corroborate the identified need for specialist or accessible/adaptable housing in Bovingdon, finding that 72 respondents have a mobility limitation and at least 22 respondents need to move to a home that better meets their health or mobility needs. Because of response rate limitations and the different time horizons of the HNA and surveys, these figures are not equivalent to the estimates calculated here. The survey findings do, however, confirm that need exists and give other helpful detail, such as the likelihood that those needing to move for mobility reasons strongly prefer to live independently in accessible bungalows than in age-specific sheltered housing.
48. While people aged 65+ represent around 60% of the people with severe mobility limitations in Bovingdon, around half of the remainder are aged 50-65 and may qualify in future for age-limited housing. Disabled people in younger age groups tend to live more independent lives, are more likely to have care provided by parents, partners or others in their own homes, and generally do not wish to live in specialist settings. The numbers of younger disabled people therefore do not translate into specialist housing needs in the same way. However, ambitious standards of accessibility and adaptability in new housing (discussed below) have the advantage of benefitting all groups regardless of age.

Characteristics of need for specialist housing

49. The overall range described above includes housing at various levels of support as well as both market and affordable housing. In both estimates, it was found that the majority of need will be for market housing (as opposed to affordable) and for sheltered accommodation (with less rather than more care), although there is need that could be accommodated in any category. For this reason, any type of scheme that might come forward should be welcomed from the perspective of need as long as it is in line with the community's wider objectives, appropriately located and suitable for other reasons.
50. However, it is worth noting that the existing specialist housing is relatively evenly split between market and affordable rented tenures, but is all in the category of sheltered housing (with relatively less care). There may therefore be a larger gap in existing provision that would be filled by extra-care housing, and such schemes might therefore be especially welcomed.
51. Furthermore, the larger quantity of need for sheltered housing is by definition driven by those with less severe support needs. These needs have the potential to be met through adaptations to the existing housing stock. If no additional specialist accommodation is to be brought forward during the Plan period, another avenue open to the Neighbourhood Plan is therefore to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan, and to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock).
52. Emerging Local Plan Policy DM10 requires that 20% of all new homes (rising to 100% of those in the socially rented tenure) should meet building regulations category M4(2) standards for accessibility and adaptability. It also requires that 5% (rising to 10% for Council-nominated stock) be built to category M4(3) standards for wheelchair users. These requirements are already fairly ambitious and very clear.

53. However, we have established that the NA population is slightly older than that of wider Dacorum and the strong evidence of potential demand for accessible housing provided here (especially in the context of limited expected delivery of specialist housing through known allocations) may be sufficient to justify a higher proportion of all housing that would be expected to meet category M4(2) standards in Bovingdon if this avenue has the support of DBC.
54. The borough-wide proportion of new housing that should accommodate those using wheelchairs is already more ambitious than in most other areas and, while the actual incidence of wheelchair use in Bovingdon was not able to be tallied here, is likely to be sufficient to the community's need.

Location suitability

55. 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.
56. 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 rural parishes from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
57. The 'hub-and-spoke' model is the idea that larger towns with more services and amenities (and fewer constraints on development) can provide more than their fair share of older people's housing so that more constrained villages with fewer services can accommodate less. In AECOM's view, Bovingdon may be a reasonably good location for a specialist housing scheme given its relatively wide range of services, proximity to two towns and (somewhat limited) public transport service. However it is also arguable that due to its size, the parish would be a spoke rather than a hub in this scenario, with Hemel Hempstead continuing its role as the key hub.
58. It is important to emphasise that the suitability of Bovingdon for specialist accommodation in terms of the level and range of service provision, the topography of the village and any potential sites, and other such factors is beyond the scope of this assessment. The question of how far to support or promote future specialist accommodation is a strategic policy choice for the Steering Group and wider community.

2. Context

Local context

1. Bovingdon is a Neighbourhood Plan Area (NA) located in the Borough of Dacorum in the north-west of Hertfordshire.
59. The NA boundary aligns with that of the civil parish of Bovingdon. It was formally designated as an NA by Dacorum Borough Council (DBC) in June 2018.
60. The parish is located approximately 3 miles south-west of Hemel Hempstead and 3 miles north-east of Chesham (both of which are accessed via the B4505), and 25 miles from London.
61. The village of Bovingdon is the key settlement within the parish, although there are clusters of residential and other uses along the key roads into the surrounding rural area which is primarily Green Belt agricultural land. Amenities include a range of shops, pubs and restaurants in the village centre, Bovingdon Primary Academy, library, Memorial Hall, two churches, the Bovingdon Brickworks employment site, sports facilities, and a historic airfield now used as a film studio, market and containing HMP The Mount (although it is understood that the film studio use will soon expand and the market may close). The parish benefits from a regular bus service between Hemel Hempstead and Uxbridge.
62. The proposed Neighbourhood Plan period extends to 2038 in line with the expected end-date of the emerging Dacorum Local Plan, and for the purpose of this assessment is assumed to begin in 2021, therefore comprising a planning period of 17 years. The evidence supplied in this report will look forward to the Plan end date of 2038, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.

The NA boundary

63. A map of the parish, which aligns with the designated NA, appears below in Figure 2-1.
64. Data for Bovingdon parish was captured in the 2011 Census. Up-to-date population estimates can also be obtained for parishes. However, for other datasets including the 2001 Census, the parish needs to be recreated using statistical units called Output Areas (OAs) and their higher-order equivalents.
65. The NA can be recreated using the following two LSOAs (Lower Super Output Areas) and 7 OAs (Output Areas):

LSOAs

- E01023373;
- E01023376;

OAs

- E00118744;
- E00118745;
- E00118746;
- E00118752;

- E00118754;
- E00118756; and
- E00118757.

66. This combination allows trends from 2001 Census data to be observed. However, two other datasets with particular relevance for housing need issues unfortunately cannot be interrogated down to the lowest scale of OAs.

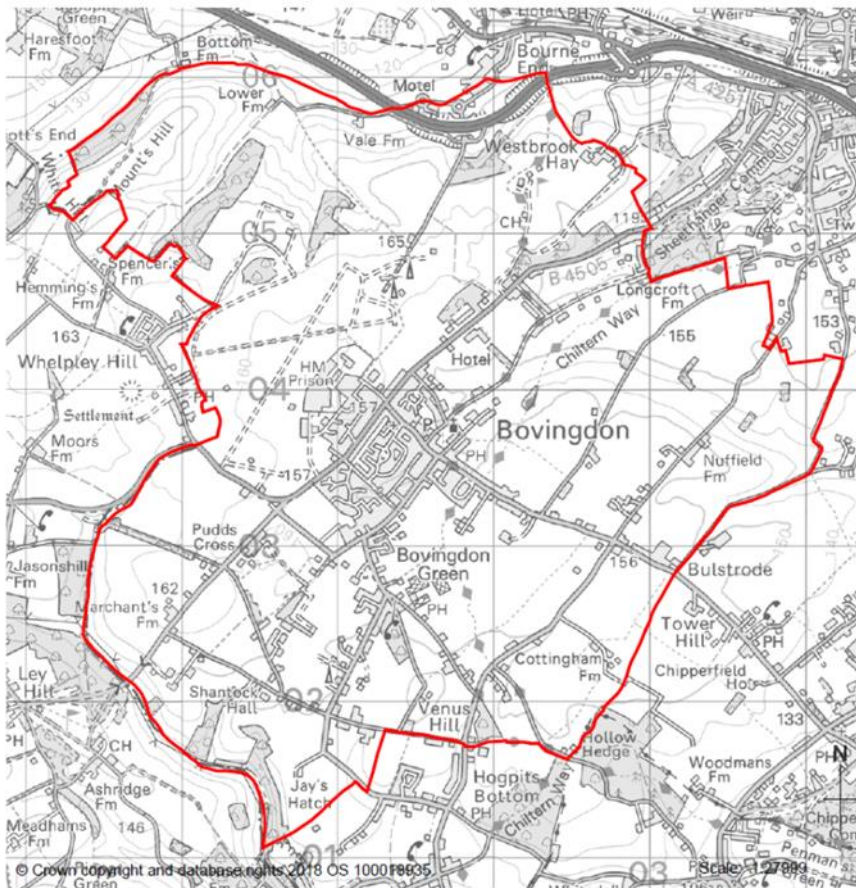
67. Office for National Statistics (ONS) data on incomes in small areas are only available down to Medium Super Output Area scale (MSOA – the scale one level above LSOAs and two levels above OAs). Bovingdon sits within the MSOA with the code number E02004876, which extends from the north edge of Latimer in the south up to the edge of Hemel Hempstead, so data for this slightly larger area will stand in as a proxy for Bovingdon.

68. For Valuation Office Agency (VOA) data on the current stock of housing, the lowest unit of analysis is LSOAs. This means that a wider area would need to be used. While this gives a relatively up-to-date picture of the housing stock in terms of proportions, the use of a proxy area will not be able to supply actual dwelling numbers. In place of this data, Bovingdon's dwelling stock profile at the time of the 2011 Census can be combined with more recent information on the homes that have been built since, provided by DBC.

69. Where house prices from Land Registry are cited, these figures are accurate to the parish and no proxy needs to be used.

70. Throughout this report 'Bovingdon' will be used to refer to the entire parish, unless specified to mean Bovingdon village.

Figure 2-1: Map of the Bovingdon designated Neighbourhood Area



Source: Google Maps

Headline population and housing statistics

71. The statistics show that at the time of the 2011 Census Bovingdon parish had a total of 5,287 residents, formed into 1,927 households, and occupying 1,983 dwellings (around 56 of which were therefore vacant at that time or used as second homes).
72. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2019 population estimate for Bovingdon is 5,566 – indicating population growth of around 279 individuals since 2011.
73. The total number of homes can be brought up to date by adding to the 2011 Census count the total number of homes that have been built since then, using data supplied by DBC. 119 new homes (gross) have been built in Bovingdon since 2011. (For reference, 56 of these were within the village boundary, and there were 199 (including the 119) built within the ward of Bovingdon, Flaunden and Chipperfield).
74. On that basis the current number of homes in Bovingdon parish is around 2,102. The increase of 119 homes might be expected to yield 326 new residents (at Bovingdon's 2011 Census average household size of 2.74), which is a broadly similar scale to the estimated population growth of 279 people cited above.
75. Data sources for the population and the existing housing stock that are more recent than the 2011 Census will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age

and the tenure of dwellings, cannot accurately be brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

Planning policy context

76. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.¹ In the case of Bovingdon, the relevant adopted statutory development plan consists of a number of documents:

- Saved policies from the Dacorum Local Plan 1991-2011 (adopted 2004)². The Core Strategy did not supersede the entirety of the Local Plan, so a number of its policies have been saved and therefore remain in force unless in conflict with national planning policy. A Policy Advice Note, published in 2017, specifies which policies remain saved and codes them as either 'consistent with or not contrary' to the National Planning Policy Framework (NPPF), 'partly consistent' with it or 'not consistent' with it. The weight accorded to partly consistent policies is to be determined on a case-by-case basis. None of the saved housing policies are considered not consistent;
- The Dacorum Core Strategy 2006-2031 (adopted 2013)³ – which sets out the strategic vision, objectives and spatial strategy for the borough and supersedes much of the Local Plan; and
- The Dacorum Site Allocations Development Plan Document (DPD) (adopted 2017)⁴ – which allocates land for housing and other uses to deliver the proposals set out in the Core Strategy.

77. DBC are currently in the process of developing a new Dacorum Local Plan 2020-2038, which will take the big planning decisions for the future of the borough and set out where new homes will be built. An Emerging Strategy for Growth, including DBC's preferred approach, the proposed sites for development, and draft planning policies, underwent a process of public consultation from November 2020 to February 2021. The next stage is the preparation of a pre-submission version taking into account the findings of the consultation, with final submission to follow.

78. The Local Plan is at a relatively advanced stage of preparation, meaning that the Bovingdon Neighbourhood Plan should seek to be in full compliance with it. The relevant documents to review at this stage are the Local Plan Emerging Strategy for Growth and the Consultation Summary Report, setting out feedback on key issues and some recommendations and next steps.⁵

79. In addition, DBC is working together with St Albans City and District Council, Three Rivers District Council, Watford Borough Council and Hertfordshire County Council on a

¹ 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 Available at [https://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/local-plan-1991-2011/local-plan-policies-\(1991-2011\)](https://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/local-plan-1991-2011/local-plan-policies-(1991-2011))

³ Available at <http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/local-planning-framework/core-strategy>

⁴ Available at <https://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/local-planning-framework/site-allocations>

⁵ Both available at <http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/new-single-local-plan>

Joint Strategic Plan for the South West Hertfordshire Area. This document will help to provide the jobs, homes and infrastructure people in the area need, ensuring that this is properly co-ordinated and better funded. It will set the strategic framework and shared priorities within which the councils' individual Local Plans will be prepared. The process is at an early stage, with a Memorandum of Understanding to take the work forward having been signed and governance arrangements put in place.

Policies in the adopted development plan

80. Table 2-1 below summarises the adopted development plan policies that are relevant to housing need and delivery in Bovingdon.

Table 2-1: Summary of relevant adopted policies

Document	Policy	Provisions
Local Plan Saved Policies	18: The Size of New Dwellings	<p>The provision of a range of dwelling types and sizes is encouraged, with particular regard paid to the need to accommodate new, small households for whom some 1 and 2 bedroom units must be provided on large housing sites or smaller sites in large villages where there is evidence of need.</p> <p>The policy also requires 10% of dwellings on sites delivering 25 or more homes to be designed as life-time homes that are readily accessible by disabled or elderly people or capable of adaptation at minimal cost.</p>
Local Plan Saved Policies	19: Conversions	<p>The conversion of houses to flats is generally permitted in large villages, subject to a number of limitations and conditions.</p>
Core Strategy	CS1: Distribution of Development	<p>Decisions on the scale and location of development will be made in accordance with the settlement hierarchy (in descending order of suitability for development):</p> <ul style="list-style-type: none"> • Main Centre for Development and Change • Market Town • Large Village • Small Village within the Green Belt • Small Village within the Rural Area • Other Small Villages and the Countryside <p>Bovingdon is classified as a Large Village, along with Kings Langley and Markyate. Market Towns and Large Villages are considered Areas of Limited Opportunity, which have an important role in meeting housing needs and providing services.</p> <p>The approach in such locations is to support development that enables the population to remain stable unless growth is required to support the needs of the community. New development is required to be of an appropriate scale and must help to maintain vitality and viability while causing no damage to existing character.</p> <p>In contrast, the Main Centre of Hemel Hempstead is the focus for development in the borough, and the Small Villages are considered the least sustainable areas where significant constraints apply and rural character is to be retained.</p>

Document	Policy	Provisions
Core Strategy	CS4: The Towns and Large Villages	This policy sets out how development will be guided to appropriate locations within settlements, with regard to mixed uses and the protection of town centre uses.
Core Strategy	CS5: Green Belt	National policy will be applied to protect the character of the Green Belt, local distinctiveness and the physical separation of settlements. Some allocations will be permitted through the Site Allocations DPD, although no general review of the boundary will take place. Small-scale development within the Green Belt will be permitted for specific uses and in particular circumstances (such as the replacement of existing buildings).
Core Strategy	CS17: New Housing	<p>An average of 430 net additional dwellings will be provided each year between 2006 and 2031.</p> <p>Tables in the supporting text around this policy set out:</p> <ul style="list-style-type: none"> The prospective distribution of housing across the borough, guided by the settlement hierarchy and functioning as a yardstick for delivery. 130 dwellings are apportioned to Bovingdon out of the overall total of 11,320. The estimated number of new homes on important housing sites (strategic sites within the Core Strategy and Local Allocations). There is one local allocation within Bovingdon: Chesham Road/Molyneaux Avenue for 60 new homes.
Core Strategy	CS18: Mix of Housing	<p>New development is required to provide a choice of home types, sizes and tenures, as well as housing for those with special needs.</p> <p>The supporting text notes the identified needs for supported housing for older and vulnerable groups (including younger people).</p>
Core Strategy	CS19: Affordable Housing	<p>On sites delivering at least 5 dwellings (or exceeding 0.16hc), affordable homes must be provided on-site, with financial contributions for off-site delivery expected of smaller sites.</p> <p>35% of new dwellings should be affordable homes, and higher levels may be sought on certain sites. Rural housing expectation sites will normally be 100% affordable.</p> <p>A minimum of 75% of the affordable housing units should be for affordable rented tenures.</p>
Core Strategy	CS20: Rural Sites for Affordable Homes	Small-scale schemes for affordable homes will be promoted in and adjoining selected small villages in the countryside, subject to certain conditions. This policy may not apply to Bovingdon due to its position in the settlement hierarchy.
Site Allocations DPD	SA2: Major Developed Sites in the Green Belt	<p>Proposals for development on major sites in the Green Belt will be determined in accordance with CS5. This recognises the contribution that well-established developments make to meeting local needs.</p> <p>There are two such sites in Bovingdon: Bovingdon Brickworks (Site MDS/5) and Bovingdon Prison Molyneaux Avenue (Site MDS/6). Bovingdon Brickworks is also identified as an Employment Area in the Green Belt in Policy SA6.</p>
Site Allocations DPD	SA8: Local Allocations	The policy brings forward a number of allocations for development, one of which is located in Bovingdon (see below).

Document	Policy	Provisions
Site Allocations DPD	LA6: Chesham Road and Molyneux Avenue, Bovingdon	<p>The site has been released from the Green Belt and will deliver 60 new homes and open space.</p> <p>The site will deliver a mix of two storey housing including 40% affordable homes.</p> <p>It is scheduled to come forward from 2021 onwards in a single phase.</p>

Policies in the emerging local plan

81. Table 2-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Bovingdon, all taken from the Local Plan Emerging Strategy for Growth (version published in November 2020 prior to the consultation).

82. The Consultation Summary Report on that document notes a number of key objections relating to the overall level of housing growth across Dacorum, particularly around the release of Green Belt land and the ability of infrastructure to accommodate growth. The latter point was raised by Bovingdon Parish Council in its response, which supported the vision for Bovingdon but urged DBC to carefully consider the sustainability of growth in this regard.

Table 2-2: Summary of relevant emerging policies in the Local Plan Emerging Strategy for Growth

Policy	Provisions
Vision for Dacorum's Places	The vision for Bovingdon, Kings Langley and Markyate is that they will grow and provide increased levels of affordable homes, also strengthening their role in providing services and facilities to local residents.
SP2: Spatial Strategy for Growth	<p>The Local Plan makes provision for a minimum of 16,596 new homes between 2020 and 2038.</p> <p>The focus of strategic growth is Hemel Hempstead, supported by Berkhamsted and Tring and then the large villages including Bovingdon, with more restricted growth elsewhere. There is an overall allowance for windfall development of around 2,400 new homes during the period.</p> <p>Bovingdon is apportioned a target for 240 additional homes in the period.</p>
SP3: The Settlement Hierarchy	<p>The settlement hierarchy remains generally the same as that set out in CS1 in the Core Strategy, ranging from the Strategic Settlement of Hemel Hempstead down to Other Small Villages in the Countryside, with four other categories in between.</p> <p>Bovingdon is again classified as a Large Village alongside Kings Langley and Markyate. Growth in Large Villages is to be at a scale in keeping with local character and setting, with sites allocated to enable modest expansion to reflect the role and function of each village and any relevant constraints.</p>
SP4: Delivering the Housing Strategy	This policy sets out how the 16,596 additional homes will be delivered. One part of this strategy is the development of small to medium scale urban extensions in Large Village, including one for 150 homes on the edge of Bovingdon.

Policy

Provisions

SP8: Neighbourhood Planning The supporting text for this policy states that the indicative housing requirement for Bovingdon is based on the delivery strategy for the village, reflecting the overall local strategy for the pattern and scale of development and the supply of homes there.

DM1: Mix of Housing Developments of 10 or more homes are required to include a mix of housing types and sizes to provide choice and meet the needs of different groups in a balanced way.

The broad housing mix to be delivered across the borough is broadly as follows, but may vary across different sites taking local circumstances into account and making sure not to over concentrate certain types of development. Other evidence will also help to guide delivery.

	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Market Housing	5%	20%	45%	30%
Affordable Home Ownership	25%	40%	25%	10%
Affordable Housing (Rent)	High proportion of 1 and 2 bedroom - further guidance will be provided in the Affordable Housing Supplementary Planning Document			

DM2: Affordable Housing In developments of 10 or more homes (or above 0.5ha) in the area including Bovingdon, 40% of all housing should be on-site affordable housing. This includes schemes for specialist housing for older people.

Affordable housing is expected to provide a mix of tenures, with no more than 25% of all housing being comprised of First Homes. The rest of the affordable housing will provide rented accommodation (social or affordable rent).

100% of homes should normally be affordable on rural exception schemes.

DM3: Rural Exceptions Schemes of up to 10 dwellings will be promoted in and adjoining selected small villages in the countryside (i.e. not Bovingdon), but may also be permitted elsewhere through Neighbourhood Plans. Such schemes must need an identified local need for affordable housing, and meet a number of additional conditions.

DM9: Housing for Older People A total of 1,340 additional retirement / extra care homes are sought across the borough in the period 2020-2038. This is broken down into 726 units of leasehold retirement housing, 366 rented extra care housing and 248 leasehold extra care housing. There is an additional target for care home bed spaces.

DM10: Accessible and Adaptable Homes

- All new dwellings should meet building regulations category M4(1) standards for visitable dwellings.
- 100% of social rented dwellings and 20% of other tenures should meet category M4(2) standards for accessible and adaptable dwellings.
- 5% of all dwellings (rising to 10% where the Council is responsible for nominating a person to live in that dwelling) should meet category M4(3) standards for wheelchair user dwellings.

Policy	Provisions
SP27: Delivering Growth in Bovingdon	<p>At least 241 dwellings are to be delivered during the Local Plan period. This is made up of 190 strategic allocations, 27 known commitments (at April 2020) and 24 homes delivered on windfall sites.</p> <p>The growth areas are:</p> <ul style="list-style-type: none"> Bv01 – Grange Farm, a major urban extension for 150 dwellings and public open space with potential future education use. Bv02 – Chesham Road/Molyneaux Avenue, a residential led site for around 40 dwellings and public open space (homes limited to two storeys). <p>Bovingdon High Street is also identified as a renewal area for retail, leisure and local centre mixed uses.</p> <p>The supporting text notes that the strategy for Bovingdon is to provide growth in line with the settlement hierarchy, recognising the village's more distant location from higher order centres and the constrained nature of some services and facilities. The focus is to provide new housing and deliver new infrastructure.</p>

Quantity of housing to provide

83. 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. As such, this question is beyond the scope of this study.
84. Dacorum has fulfilled this requirement by providing Bovingdon with an indicative housing target for the Local Plan period 2020-2038 of at least 240 additional dwellings (this is the figure given in Policy SP2 and most references throughout the Local Plan, though Policy SP27 states the figure as being 241). As such, the question of how much housing overall is needed in Bovingdon has effectively been answered and is beyond the scope of this study. It is worth noting that, according to data supplied by DBC, there are 41 dwellings committed on sites with planning permission in Bovingdon at present (17 of which are under construction).
85. If these 41 dwellings are completed and the two Local Plan allocations are built out to the sizes currently envisaged, this implies that at least 231 of the 240 dwelling targeted for Bovingdon are already accounted for (this may be higher if dwellings have been completed between the start of the Local Plan period in 2020 and today).

3. Approach

Research Questions

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

Tenure and Affordability

87. The Steering 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.
88. This evidence will allow Bovingdon 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 others, and as subsidised Affordable Housing for those who may be currently priced out of the market.
89. The Steering Group is particularly 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 is provided under the remit of this research question.

RQ 1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

Type and Size

90. The aim of this research question is to provide the Steering Group with evidence on the types and sizes of new housing needed by the local community. This will help to shape future development so that it better reflects what residents need. It will consider, for example, potential demand for downsizing among older households.
91. 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.
92. 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.

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 and Disabled People

93. This section 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 and others with mobility limitations.

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

Relevant Data

94. 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 the 2011 Census and a range of other data sources, including:

- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Rightmove.co.uk;
- Local Authority housing waiting list data;
- District-level housing evidence including the South West Hertfordshire Strategic Housing Market Assessment (SHMA) from 2016, though it is noted that this study is now relatively dated and of less use to this study;
- The results of two household surveys completed in 2019, one conducted by the Steering Group on a range of topics and another conducted by CDA Herts specifically about residents' housing needs. These will be referred to as the Steering Group Household Survey and the CDA Herts Survey respectively.

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

RQ 1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

Introduction

95. 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.
96. 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.
97. The definition of Affordable Housing set out in the 2021 NPPF 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. As part of this effort, the Government has recently introduced a new product called First Homes.⁶
98. 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;

⁶ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>. Note that First Homes formally come into effect from 28 June 2021, and Local and Neighbourhood Plans that have reached an advanced stage of development by that date may not need to reflect these changes. However, it is advisable for all plans in process to reflect the direction of policy changes where possible.

- 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 prioritization 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

99. The current tenure profile is a key feature of the Neighbourhood Plan 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.
100. Table 4-1 below presents data on tenure in Bovingdon compared with Dacorum and England from the 2011 Census, which is the most recent available source of this information. The parish has a higher rate of home ownership than wider Dacorum and England, while social renting is far less common. Rates of private renting and shared ownership are broadly similar to wider averages.
101. The low availability of social rented housing represents a potentially significant challenge for those on lower incomes or with other support needs locally. Social rent is the tenure that accommodates people with the most acute needs for housing so if vacancies in the very limited existing stock are infrequent, households falling into need may have to move elsewhere.
102. Private rent plays a valuable role, being more affordable and flexible than ownership, and also potentially accommodating people on lower incomes who pay part of their rent using housing benefit, but does not exist at large enough rates to temporarily accommodate the potential unmet need for social rent. That said, this tenure category grew by 135% between 2001 and 2011 – a common signal of the unaffordability of ownership.
103. There were 207 units of social rented housing and 10 units of shared ownership in 2011. Data supplied by DBC suggests that 119 new homes have been built since 2011 in Bovingdon but does not identify which tenure category those homes fall into. The Steering Group have identified a scheme of five affordable 2 bedroom dwellings at Hyde Meadows (which is included within the 119 completions counted by DBC). However, because of the small delivery numbers in each year it is unlikely that many if any more homes were brought forward on sites large enough to exceed the threshold above which Affordable Housing must be provided. This strongly suggests there has been limited Affordable Housing delivery in Bovingdon in recent years, and that the tenure mix from 2011 has therefore changed primarily in the direction of more market housing.

104. It is not possible to update the other tenure categories because records are not kept of privately owned homes transferring from owner occupation to private rent and vice versa. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months.
105. The Steering Group survey also posed the question of what tenure households occupy, using the same categories as the Census. 91% of respondents owned their own homes, which is far higher than in the Census. Just 4% of respondents were in social rented (or equivalent) accommodation, and only 5% rented privately. It likely that this speaks to higher rates of response to the survey among homeowners, but may also indicate an increase in that tenure category over time.

Table 4-1: Tenure (households), Bovingdon, 2011

Tenure	Bovingdon	Dacorum	England
Owned; total	75.7%	64.9%	63.3%
Shared ownership	0.5%	0.6%	0.8%
Social rented; total	10.7%	21.8%	17.7%
Private rented; total	12.2%	11.9%	16.8%

Sources: Census 2011, AECOM Calculations

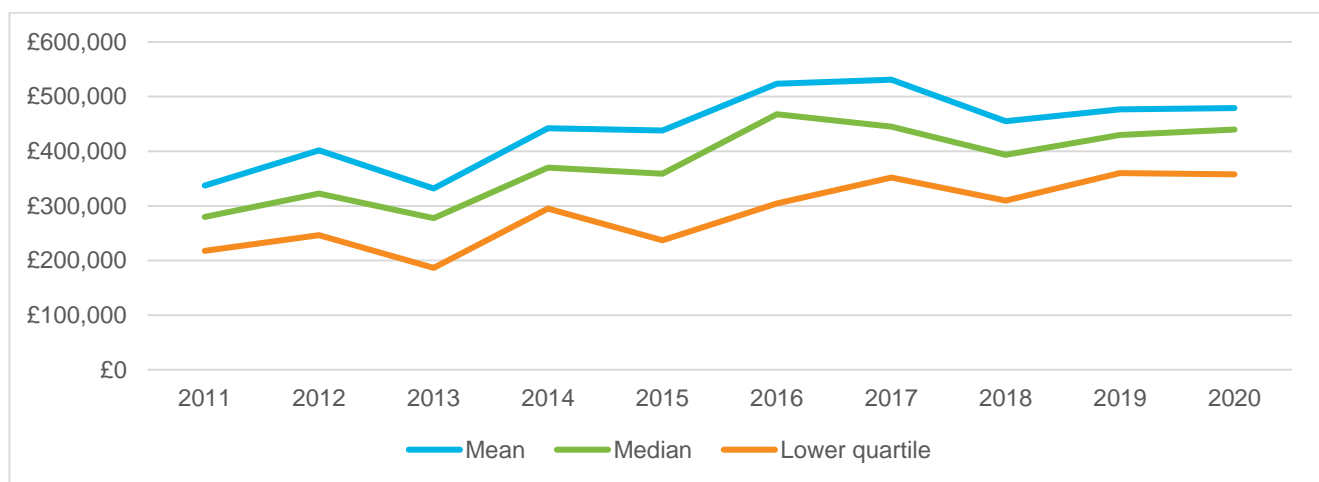
Affordability

House prices

106. Figure 4-1 below presents selected measures of house prices in Bovingdon over the last ten years. It shows a clear upward trajectory overall despite fluctuations year-on-year.
107. The median (50% cheapest) and lower quartile (25% cheapest) average prices in Bovingdon are currently £439,500 and £358,000 respectively. The median price in 2020 is £159,500 higher than in 2011 (57% growth), and the equivalent increase for the lower quartile was £140,500 (65% growth). This means that even to afford one of the least expensive homes in Bovingdon, a prospective buyer would need to find a very large additional deposit or to be earning around £40,000 more than they would have needed to in 2011 to afford the substantial additional mortgage costs. The price of entry-level housing has risen further than that of housing generally, presenting a potentially immense challenge for those with lower incomes or without equity in an existing home who wish to buy locally.
108. It is worth noting also that the 2020 lower quartile and median prices for Dacorum as a whole are £400,000 and £305,000 respectively, indicating that property in Bovingdon is around 10-20% more expensive than the wider borough. That said, the overall mean is actually 8% higher across Dacorum as a whole, as while Bovingdon homes are above the bottom end of the range across Dacorum they are also typically below the top end of the range across the borough (which includes very prosperous commuter towns and rural estates). When comparing house prices on a like-for-like basis (by dwelling type), Bovingdon and Dacorum prices are much more similar (between 1% and 9% divergence in both directions).
109. It also is important to think about the pricing of newly built housing, since this is what the Neighbourhood Plan may be able to exert some control over. Land Registry records just one sale of new build housing in Bovingdon in 2020 and a further one in 2019. Although there were 31 new build sales in 2018, these were all leasehold flats in age-restricted Mountbatten House and do not provide an appropriate representation of new build housing in the area generally.

110. It is therefore necessary to turn to new build house prices across a wider area. Because Bovingdon house prices are generally similar to wider Dacorum and there was a sufficiently robust sample of 124 new build transactions across the borough in 2020, Dacorum new build prices offer a good proxy for the likely cost of newly build housing in Bovingdon in future years.
111. The overall average new build price across Dacorum in 2010 was £360,175, which falls between the average price of a flat (£201,716) and a terraced home (£499,444) and sits slightly above the price of exiting entry-level homes in the parish. This therefore provides an appropriate proxy for the likely cost of newly built entry-level housing in Bovingdon, upon which the pricing of First Homes and shared ownership is likely to be based.
112. The cost of newly built housing at higher than entry-level value could range as high as the 2020 Dacorum new build detached average of £776,665.

Figure 4-1: House prices by quartile in Bovingdon, 2011-2020



Source: Land Registry Price Paid Data (PPD)

113. Table 4-2 below breaks down house prices in Bovingdon by type. There is a clear distinction between detached housing, the middle of the market (represented by semi-detached and terraced homes) and much less expensive flats which also fluctuate more year-to-year (due to the smaller sample size upon which the average is based rather than changing values).

Table 4-2: House prices by type, Bovingdon, 2011-2020

Type	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Growth
Detached	£567,067	£653,545	£557,875	£702,262	£767,780	£810,130	£921,064	£816,916	£693,448	£742,956	31.0%
Semi-detached	£334,180	£347,346	£363,444	£432,339	£386,318	£499,869	£478,826	£447,136	£488,478	£502,957	50.5%
Terraced	£250,263	£254,429	£279,354	£320,331	£362,868	£429,800	£390,375	£450,923	£408,080	£420,458	68.0%
Flats	£163,833	£140,744	£157,923	£172,541	£190,886	£207,703	£221,690	£317,407	£303,302	£228,650	39.6%
All Types	£337,202	£401,385	£331,864	£442,147	£438,145	£523,833	£530,965	£455,185	£476,595	£479,188	42.1%

Source: Land Registry PPD

Incomes

114. 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 Bovingdon:

- 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 before housing costs locally was £51,700 in 2019 (the latest year for which data is available). This relates to the wider area shown in the map in Appendix A that extends slightly beyond the parish boundary. A household's total (gross) income figure is typically used by mortgage lenders to assess a household's ability to afford to borrow.⁷ This figure is just above the median of the small areas making up Dacorum (£50,000) as Bovingdon's area has the tenth highest household income out of 22 areas in Dacorum (ranging from £39,000 to £64,000).
- 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. Dacorum's gross lower quartile annual earnings were £15,904 in 2019. This is slightly higher than the East of England average of £15,564 and the England average which is similar at £15,603. To estimate the income of households with two lower quartile earners, this figure is doubled to £31,808.
- Question 20 of the CDA Herts survey asked about the incomes of the households who need new or alternative housing. The 37 households responding to this question fall into the following income bands. The band into which the median respondent falls is £20,001-£30,000, suggesting that those needing or intending to move within the parish have lower incomes than the wider population, closer than the dual lower quartile income than the overall average (although it may be that households with higher incomes are more likely to have already moved rather than to be remaining in need at the time of the survey). The lower quartile respondent earns £10,001-£20,000 – which aligns with the Dacorum-wide data noted above.
 - Under £10,000 – 3 respondents;
 - £10,001-£20,000 – 9 respondents;
 - £20,001-£30,000 – 11 respondents;
 - £30,001-£40,000 – 5 respondents;
 - £40,001-£50,000 – 4 respondents

⁷ Total annual household income is the sum of the gross income of every member of the household plus any income from benefits such as Working Families Tax Credit.

- £50,000-£80,000 – 3 respondents; and
- Over £80,001 – 2 respondents.
- Question 21 of the CDA Herts survey also asked how much respondents can afford to spend on housing weekly, with 14 of 42 respondents unable to spend more than £100 per week, 20 able to afford £100-200, and 8 able to afford more than £200. Given that the entry-level rent (for a 1-2 bed flat) is £850 per month in Bovingdon (see discussion below), only the 8 households able to spend more than £200 per week have a realistic chance of affording private rents.
- Question 22 of the CDA Herts Survey asked about funding for a deposit among those needing or wishing to move. Of the 37 respondents, 12 had no funds for a deposit, 11 had less than £10,000, 5 had £10,001-£30,000 and 8 had more than £30,000. Again, only these 8 (who may be the same as those able to spend over £200 per week in the previous question) stand a realistic chance of affording the mortgage on an entry-level home (see further discussion below).

115. 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. There is a wide range of incomes among respondents to the survey.

Affordability Thresholds

116. 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.
117. AECOM has determined thresholds for the income required in Bovingdon 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.
118. 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.
119. Where First Homes and shared ownership costs have been estimated, these are based on the new build average for Dacorum of £360,175 (as discussed above and calculated in Appendix A).
120. Table 4-3 below summarises the estimated cost of each tenure, the annual income required to support these costs within Bovingdon, and whether local incomes are sufficient. The income required column does not reflect the cost of a deposit (which we have assumed to be 10% of the value to be purchased) or the possibility that households may already hold equity from an existing property. Although both factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.
121. The same information is presented as a graph in Figure 4-2 on a subsequent page.

Table 4-3: Affordability thresholds, Bovingdon

Tenure	Mortgage Value (90% of price)	Rent	Income required	Affordable on average incomes? £51,700	Affordable on LQ earnings (single earner)? £15,904	Affordable on LQ earnings (2 earners)? £31,808
Market home ownership						
Existing median home	£395,550	-	£113,014	No	No	No
New build entry-level home (Dacorum average)	£324,157	-	£92,616	No	No	No
Existing entry-level home	£322,200	-	£92,057	No	No	No
Private renting / rent to buy						
Average market rent (2-3 bed house)	-	£15,000	£50,000	Yes	No	No
Entry-level market rent (1-2 bed flat)	-	£10,200	£34,000	Yes	No	No
Affordable home ownership						
First Homes – 30% discount	£226,910	-	£64,831	No	No	No
First Homes – 40% discount	£194,494	-	£55,570	No	No	No
First Homes – 50% discount	£162,079	-	£46,308	Yes	No	No
Shared ownership – 50% equity	£162,079	£4,502	£61,316	No	No	No
Shared ownership – 25% equity	£81,039	£6,753	£45,665	Yes	No	No
Shared ownership – 10% equity	£32,416	£8,104	£36,275	Yes	No	No
Affordable rented housing						
Affordable rent (overall average)	-	£8,753	£29,148	Yes	No	Yes
Social rent (overall average)	-	£6,047	£20,135	Yes	No	Yes

Source: AECOM Calculations

122. 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. 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 home ownership

123. 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 or equity from an existing home. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach for most. The median house price would require an annual income more than twice the current average.

124. The above commentary relates to affordability in terms of ongoing mortgage costs but an additional barrier to many households is the cost of a deposit, which is assumed to start at £35,800 for an entry-level home in Bovingdon. Only 8 of the respondents (22%) to the question about deposit funding in the CDA Herts survey had more than £30,000 available to them. However, this is more respondents than stated they earned more than £80,000 per year. It therefore appears that in Bovingdon it is primarily the ongoing mortgage costs

that prevent Bovingdon households from accessing market housing for sale rather than deposit funding – though it is a small minority of local households that appear able to overcome either of these barriers.

Private renting

125. Private renting is more affordable than ownership in Bovingdon, assuming that the price benchmarks used here – which had to include a wider area to create a robust sample – are representative of the housing available in the parish at other times. The fact that a wider radius needed to be used to find enough examples of rental listings points to a lack of such accommodation in the parish relative to the number of homes (although it may be that occupants remain for a long time making vacancies relatively rare. If rented homes are available at the prices estimated here, they appear to be affordable to average earning households. The CDA Herts survey indicated that only 19% of those needing to move can afford a monthly rent above £800 (equivalent to an entry-level flat) even if a higher proportion (38%) exceed the income of £30,000 that would be needed according to the HNA assumptions.
126. Affordability would be improved for lower earners, and entry-level properties become accessible to households with two lower earners if those households are able or willing to dedicate a larger proportion of their incomes to rental costs than the 30% assumed here, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.
127. Such stretching of budgets would also not bring renting within reach of single-earning households. A single lower quartile earner would need to dedicate more than 60% of their gross earnings to rent in order to occupy an entry-level rented home. Most households must therefore either apply for affordable rented housing or remain in the private rented sector while relying on housing or other benefits.

Affordable home ownership

128. There is a relatively large group of households in Bovingdon who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £35,000 per year (at which point entry-level rents become affordable) and £90,000 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
129. 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.
130. This report has estimated the income required to afford First Homes, and tested the implications of 30%, 40% and 50% discount levels. Only the 50% discount level would bring First Homes prices within reach of average earning households (and only then if they are able to secure a slightly larger deposit). For this reason this HNA recommends that the maximum 50% discount level for First Homes should be sought in Bovingdon, as long as this does not impinge on the viability of affordable rented housing (which is a consideration that should be discussed with DBC).
131. Even with a 50% discount, a £18,009 deposit would be required and may represent a significant barrier for many households. Indeed, only 10 of the 37 respondents to the CDA Herts survey who need new or alternative housing and answered the question about deposit funding have more than £20,000 to spend on a deposit.

132. Table 4-4 below shows the discount required for First Homes to be affordable to the three income groups. First Homes are supposed to be priced in relation to their equivalent open market value. Here the best proxy for this is the average new build price for Dacorum. However, for comparison, the discount required for a First Home if it were provided as equivalent to a median or entry-level existing home in Bovingdon rather than the new build average for Dacorum are also given.

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

Price benchmark for First Homes	Mean Income	LQ Income x1	LQ Income x2
Median existing NA	54%	86%	72%
Average new build Dacorum	44%	83%	66%
Entry-level existing NA	44%	83%	65%

Source: Land Registry PPD; ONS MSOA total household income

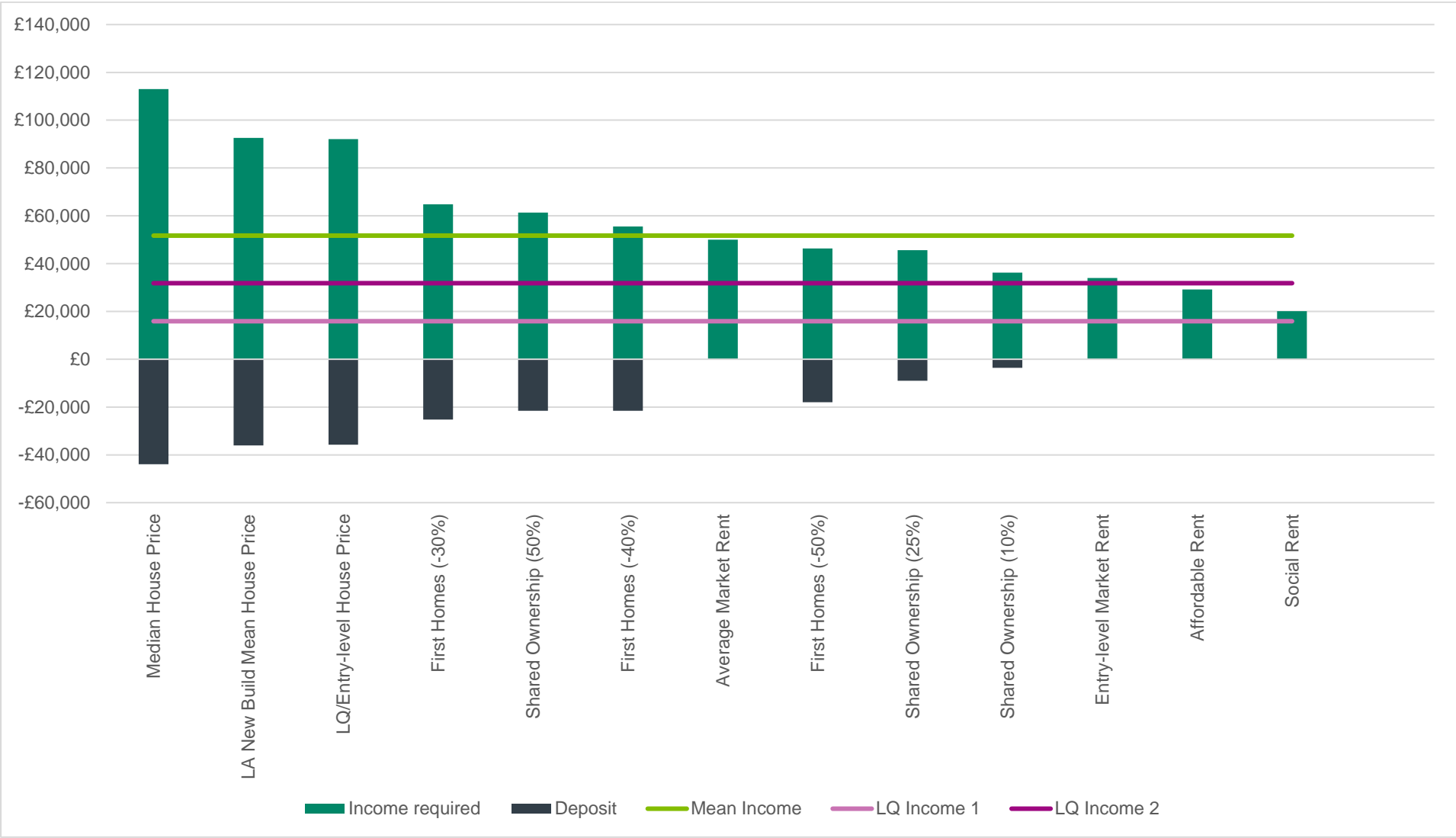
133. Shared ownership at a 25% equity share or lower appears to be slightly more affordable than First Homes at a 50% discount in Bovingdon. Lower equity shares widen access to more potential occupants and slightly lower earners, particularly with the now lower 10% minimum equity share option.
134. However, it is worth emphasising that 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. This product may have a lower threshold for access, but the longer-term prospects of building an equity share are poorer and the ongoing monthly costs will be higher for the occupant.
135. The income required to access rent to buy is assumed to be the same as that required to afford market rents – the difference being that a portion of the rent is effectively saved for a deposit rather than paid to a landlord. It therefore appears to be more affordable than First Homes and shared ownership, though there are again other disadvantages when compared to those other options (shared ownership and First Homes).
136. These three products need to be considered in relation to what they offer occupants in the long term beyond simply appearing affordable or not. Each potentially provides 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 offers poorer long-term prospects but is helpful to those with little or no savings for a deposit, and First Homes at a 50% discount provides the best long-term support to those with slightly higher incomes able to afford both the ongoing mortgage costs and the deposit.

Affordable rented housing

137. Affordable rented housing is affordable to households with two lower earners (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered other than the smallest socially rented units. The weekly rent for a 1 bedroom social rented unit in Dacorum is £98.20, which is more than 14 of the 42 respondents to the CDA Herts survey about weekly housing funds could afford without relying on universal credit or housing benefit (which they would, however, likely be eligible for). Those with lower incomes will, if unable to secure a social rented dwelling or additional subsidy, need to live in a room in a shared house using housing benefit.
138. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Bovingdon as the only option for a large segment of those in the greatest

need. Being cheaper for the occupant, even if not always affordable on its own terms, social rent performs this function best.

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



Source: AECOM Calculations

Affordable housing- quantity needed

139. One way to understand the need for affordable housing in Bovingdon is to refer to the relevant Strategic Housing Market Assessment (SHMA). However, in this case the relevant SHMA was published in 2016 and relies on information and methods that are now relatively dated. Instead, Bovingdon's needs can be estimated through two calculations that use more recent data and inputs that relate specifically to the NA. 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

140. The starting point for assessing the need for affordable rented housing is the number of Bovingdon households currently applying for Affordable Housing on the Dacorum housing register. DBC have confirmed that as of September 2021 there are 1,652 applicants on the housing register (out of 6,045) who have specifically stated that they want to live in Bovingdon. However, the question of location preference is not mandatory so there may be additional households wishing to live in Bovingdon. More significantly, it was not possible to determine how many of the 1,652 applicants have an address in Bovingdon or a local connection to the parish. As such, to use this figure as a starting point in our estimate would risk inflating the need.
141. As an alternative, the CDA Herts survey cites a figure of 55 active applications on the DBC housing register who lived in Bovingdon in March 2019. While slightly old at this point, this is a much better representation of need from within the community itself. The need was primarily (39 of 55) for 1 bedroom housing, with 14 households needing 2 bedrooms and 2 households needing 3-4 bedrooms. This broadly aligns with the 57% of current applicants with a preference for Bovingdon who are eligible for 1 bedroom, 30% eligible for 2 bedrooms, and the remaining 13% eligible for larger sizes.
142. DBC have also provided information on the number of re-lets of the existing social/affordable rented stock in Bovingdon between June 2020 and June 2021. In that time, 14 social/affordable rented properties have become available for re-let to housing register applicants. This is the number of homes we might expect to come vacant in a given year going forward, as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change. This is the main way (in addition to providing new housing) that local needs can be satisfied. While DBC note that this number may have been impacted by COVID-19 and not be representative of other years, the figure for 2019-2020 is 10 re-lets, which is broadly in line with the latest figure of 14 and suggests it is representative as far as can be established from the available data.
143. When this data on turnover is not provided by a local authority, AECOM estimates that roughly 3% of the existing stock will come vacant in a given year. In this case, that calculation produces a result of 6.2 which is much lower than the actual figure for the latest year supplied by DBC. Given the warning provided about the reliability of the figure and the difference from our standard assumption, it is considered appropriate in this case to use the more conservative figure of 6.7 in the estimate.

144. Table 4-5 below estimates the need for Affordable Housing for rent in Bovingdon 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 available. 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.
145. The result of this calculation is a surplus of 1.4 units per year. However, what the model is suggesting is that turnover in the existing stock (as discussed above) should be sufficient to meet newly arising needs as well as the current backlog, which is effectively spread out over the 17-year period to produce an annualized figure.
146. An important caveat to this finding is that there are certainly households currently in need in Bovingdon (around 55 of them) and potentially many more than this if a larger share of those indicating a preference for the NA have a local connection or if need is underrepresented on the register (given that only 5 of the 22 respondents to the CDA Herts survey indicating a preference for affordable rented accommodation were actually on the housing register).
147. Furthermore to 'spread them out' over the Plan period suggests that some of them can be accommodated in ten years' time once a sufficient surplus has been built up through new supply and turnover of the existing stock. While possible, this is not favourable to the individuals involved. In practice, it would be better to frontload any future affordable rented provision to meet those needs as soon as possible, leaving newly arising need in future to be met by turnover in the existing stock.
148. A further caveat worth emphasizing is that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2 bedrooms while the applicant household might require 4 bedrooms, may be located in an inappropriate location, or be otherwise unsuitable.
149. As such, it is recommended that Bovingdon seeks to deliver some affordable rented housing, particularly early in the Plan period and with the aim of diversifying the mix of sizes available, with the understanding that if this results in oversupply in future years, the vacancies created when existing occupants leave their properties may need to satisfy new need from elsewhere in the surrounding villages or wider district.

Table 4-5: Estimate of need for Affordable Housing for rent in Bovingdon

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	55.0	Housing register data for 2019 cited in the CDA Herts survey.
1.2 Per annum	3.2	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	182.2	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	15.0%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in the NA.
2.2.1 Current number of social renters in parish	207.0	Number of social rented homes existing in the NA as of 2011, given that there is unlikely to have been a significant increase in the interim.
2.2.2 Number of private renters on housing benefits	52.6	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	27.3	Step 2.1 x Step 2.2.
2.4 Per annum	1.6	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers)	6.2	2.2.1 x 3% - assumption for the average number of units re-let each year. Though DBC indicated this figure was 14 in 2020/21, there is a risk it is an anomaly so a more conservative assumption is used.
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall surplus per annum	1.4	Step 1.2 + Step 2.4 - Step 3.2

Source: AECOM model, using Census 2011, English Housing Survey 2018, DLUHC 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency. Figures may not sum due to rounding.

Affordable home ownership

150. Turning now to Affordable Housing providing a route to home ownership, Table 4-6 below estimates the potential demand in Bovingdon. This model aims to estimate the number of households might wish to own their own home but cannot afford to – the ‘can rent, can’t buy’ group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
151. 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. It is worth noting that only 12 of the 21 respondents to the CDA Herts survey indicating a preference for shared ownership would be eligible and financially able to access it.

152. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This is a relatively arbitrary assumption but no robust indicator exists for this area or a wider scale.
153. The result of the calculation is 11.1 households per annum who may be interested in affordable home ownership (or 183 for the entirety of the Plan period).
154. As mentioned above, this assumes a rate of turnover in the existing stock will satisfy some need, though the potential current and future demand is fairly large and thus not as strongly mitigated by turnover as in the affordable rented calculation above.
155. It may not be achievable or even desirable to deliver this volume of affordable home ownership properties in the coming years as even greater numbers of market homes would be required to cross-subsidise delivery, many of the interested households might not be able to afford the necessary deposit, and there is a competing imperative to deliver affordable rented homes required for those with more urgent needs. However, this figure remains a useful indicator of the potential scale of demand and of the affordability challenge in Bovingdon.
156. It is also important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Table 4-6: Estimate of the potential demand for affordable housing for sale in Bovingdon

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in parish	286.5	Census 2011 number of renters x national % increase to 2018.
1.2 Percentage renters on housing benefit in LA	18.4%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in parish	52.6	Step 1.1 x Step 1.2.
1.4 Current need (households)	175.4	Current renters minus those on housing benefit and minus 25% assumed to rent by choice.
1.5 Per annum	10.3	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	182.2	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	9.1%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	16.6	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	1.3	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	10.0	Number of shared ownership homes in parish (Census 2011).
3.2 Supply - intermediate resales	0.5	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall per annum	11.1	(Step 1.5 + Step 2.4) - Step 3.2.

Source: AECOM model, using Census 2011, English Housing Survey 2018, DLUHC 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency.

Figures may not sum due to rounding.

157. It should be noted that 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).

158. It is also important to remember that even after the Bovingdon, or indeed any other, 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 Steering Group.

Affordable Housing policy guidance

159. Dacorum's adopted policy on this subject (CS 19) requires 35% of all new housing to be affordable on sites larger than 5 dwellings. The emerging Local Plan raises the percentage target to 40% but applies it only to sites bringing forward more than 10 dwellings. It is likely that most windfall sites in the Bovingdon area would not meet the 10 dwelling threshold above which the policy

applies, so the capacity for Affordable Housing delivery going forward largely depends on the larger sites allocated in the Local Plan.

160. 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 Bovingdon, and the community would benefit from efforts to maximise delivery where viable.
161. How the Affordable Housing that comes forward through mainstream development sites should be broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is given a steer in the emerging Local Plan, which states that no more than 25% of all housing should be First Homes.
162. The HNA can supply more localized evidence to follow a different mix or add nuance about the specific products within each category. This section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Bovingdon specifically.
163. 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 Bovingdon requires limited quantities of affordable rented housing in the long term but could benefit from a near-term injection of supply, and that there is potential demand for around 180 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, though high discount levels are needed to make affordable home ownership products truly affordable.

The relationship between these figures suggests that most Affordable Housing should offer a route to ownership. However, as noted above, these estimates of the quantity of need 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. As such, both play an important role in the tenure mix.

- B. **Can Affordable Housing needs be met in full?** How far more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected. Bovingdon's housing requirement to 2038 is 240 dwellings, 190 of which are made up of larger allocations in the Local Plan that will meet the threshold for Affordable Housing. (It would appear that 26 have also already been delivered in the 2020/21 reporting year according to DBC data.)

If 40% of the new homes are secured as affordable, this implies between 76 and 96 Affordable Housing units will be delivered (depending on how

many of the 50 non-allocated homes are delivered on sites above the 10 unit threshold).

As a general rule, if plenty of development (and therefore Affordable Housing) is likely to come forward, there is more scope to provide affordable routes to ownership, while if expected provision is limited it may be sensible to ensure a good proportion of it is dedicated to affordable rented housing. Here the expected volume of delivery appears sufficient to both satisfy the current backlog of affordable rented housing and go some way to meeting the potential demand for affordable home ownership.

C. **Government policy (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 Dacorum, where 40% of all housing should be affordable on sufficiently large sites, 25% of Affordable Housing should be for affordable ownership.

D. **Local Plan policy:** The Local Plan places a ceiling on the delivery of First Homes, at 25% of *all housing*. However, the way that the policy is currently drafted, in which the remainder is to be protected as social and affordable rent, suggests that the Local Plan intends that no more than 25% of *the Affordable Housing* should be First Homes. There would be little need to place a cap on First Homes at 25% of all housing, since this would mean First Homes constituting no more up to 62.5% of Affordable Housing – which would be very high.

In either case, this complies with the NPPF requirement for 10% of all housing to be for affordable ownership: if First Homes are 25% of Affordable Housing then 10% of all housing is for affordable home ownership.

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..

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 Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan. In Dacorum, the default Local Plan mix would be 75% affordable/social rent, 25% First Homes and no other

affordable ownership tenures. There would be no shared ownership because the 75% of housing earmarked for social and affordable rent would be protected by default, although it would be possible for Dacorum to change their expectation to allow for more diversity of affordable ownership options at the expense of some affordable renting.

- 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 emerging 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 Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Bovingdon:** Bovingdon has a proportion of social renting far below the district and national rates, indicating an undersupply of this tenure that it may be beneficial to counteract. The NA rate of shared ownership is around the norm in other areas but remains low in real terms so still presents another opportunity to diversify the tenure mix overall. These two pieces of evidence strongly justify the provision of Affordable Housing, no-matter what specific form it takes: both social rent and shared ownership have room to grow, with the former being particularly important.
- 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 Steering Group may wish to take account of broader policy objectives for Bovingdon and/or wider Dacorum. These could include, but are not restricted to, policies to create lifetime communities by enabling younger households to grow into larger homes and for older households to downsize if they wish. These wider considerations may influence the mix of Affordable Housing provided.

164. The default for sites large enough to deliver Affordable Housing in Bovingdon is for 75% of the Affordable Housing to be affordable or social rent and 25% First Homes. Given that this HNA finds more long-term potential need for affordable home ownership in Bovingdon than affordable rent (after the current backlog for the latter has been met), this would seem to be inappropriate.

165. If 76-96 new Affordable Homes are to be delivered during the Plan period, the default tenure split implies 57-72 affordable rented homes and 19-24 First Homes. This would fully satisfy the backlog of need for affordable rent (potentially

leading to some oversupply) and make a small contribution to widening access to home ownership.

166. On the basis of the housing register data available at the time of writing the HNA (that 55 Bovingdon households were on the list in 2019), it would be more appropriate to adjust the default Local Plan split from 75:25 to 60:40 – which would have the effect of seizing a larger opportunity to widen home ownership to lower earners. This is the scenario put forward in Table 4-7 below as a potential proposal.
167. However, there are three reasons why this might present a risk. The first is that the Local Plan places an explicit cap on the proportion of First Homes (at 25%) mandating that the remainder be provided as affordable/social rent. DBC may not be supportive of a Neighbourhood Plan tenure split that departs from this. Second, the housing register data used here is not fully robust: it is from January 2019 and is provided second-hand rather than directly from DBC. No up-to-date equivalent figure was available, and Bovingdon's share of the 6,045 applicants on the register across Dacorum would be four times as high if taken on the basis of population statistics. If the figure of 55 used here underestimates the need, it would be beneficial not to reduce the proportion of Affordable Housing provided as rented tenures. Third, the affordable home ownership products reviewed in an early part of this chapter appear unaffordable to most residents because of the high cost of market housing in the area. First Homes and shared ownership would primarily help people earning just below average rather than focusing support on those in the most urgent need.
168. The tenure mix presented below should therefore be seen as a potential option. It is AECOM's advice that it should only be taken forward if the Steering Group have considered the risks outlined above, discussed the matter with DBC and/or investigated further as newer data becomes available.
169. The breakdown within the category of affordable home ownership given below is proposed to meet the national First Homes requirement as a priority (although this tenure, if secured at a 50% discount, can also be seen as the most beneficial in the long-term). The remainder is then apportioned to rent to buy at a slightly higher proportion than shared ownership because it is more affordable to some lower earners.
170. It is important to emphasise that the tenure mix recommended here has been arrived at through the professional judgement of AECOM on the balance of the factors listed above. It is equally valid for the Steering Group to take a different interpretation based on the evidence gathered here as well as the objectives and opinions of the community (which are important factors in this policy area).
171. As noted above, where the Steering Group wish to develop policy that deviates from that outlined in the Local Plan – as is suggested here – it is important that they liaise with DBC to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
172. 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 4-7: Indicative Affordable Housing tenure mix for Bovingdon

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	40%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	10%	Proposed changes to the model to allow purchases of 10% share ⁸ - impact on viability unknown Registered Providers' business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to buy	15%	Emerging product with popularity and effectiveness as yet unproven. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	60%	
Social rent	To be set by DBC and Registered Providers.	
Affordable rent	To be set by DBC and Registered Providers.	

Source: AECOM calculations

Conclusions- Tenure and Affordability

Affordability issues

173. Bovingdon's current tenure mix reveals that the parish has a higher rate of home ownership than wider Dacorum and England, while social renting is far less common. Rates of private renting and shared ownership are broadly similar to wider averages. While precise figures are unknown, given annual totals supplied by DBC it is unlikely that much if any further Affordable Housing has been delivered in the parish since the 2011 Census (barring a single 5-unit site identified by the Steering Group).
174. Home values in Bovingdon have increased significantly over the last ten years, with the result that the average entry-level home now costs £358,000 – around £140,500 more than in 2011 – while the median is £159,500 higher at £439,500. Property in Bovingdon is similarly priced to that across Dacorum as a whole.
175. The low availability of lower-cost options and the high price appreciation of all housing together present a potentially immense challenge for those with lower incomes or without equity in an existing home who wish to buy locally.
176. Newly built housing, which is the key area of influence for the Neighbourhood Plan, is likely to command an additional price premium above equivalent existing house prices, which is a further obstacle to households relying on new development to enable them to live locally, whether in open market housing or through affordable routes to ownership like shared ownership and First Homes which will be priced with reference to their open market value.

⁸ <https://www.gov.uk/government/news/jenrick-unveils-huge-12-billion-boost-for-affordable-homes>

Tenure options

177. 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 Bovingdon is £51,700, and the lower quartile income (per person) for Dacorum was £15,904 in 2019.
178. The CDA Herts survey provides further detail on incomes and buying power among local people who need to move, indicating that most households in this category have lower than average incomes and that only the upper part of the wide range of local incomes is sufficient to afford local housing costs.
179. Comparing housing costs with incomes we find that a household would need an income comfortably above the average (or a very large deposit) to qualify for a mortgage even for an entry-level home in the area. Home ownership through the mainstream market is not an option for the majority of local people. Besides the difficulty of affording ongoing mortgage costs, few respondents to the survey have enough savings for the deposit that would be required to purchase a property.
180. Private renting is generally more affordable than ownership in Bovingdon, but still only an option for higher earners. It offers a more affordable and flexible option than ownership, and can also accommodate lower earners in receipt of housing benefit. While this tenure category grew by 135% between 2001 and 2011 (and has likely continued to do so), it remains a small but valuable part of the tenure mix.
181. The CDA Herts survey indicated that only 19% of those needing to move can afford a monthly rent above £800 (equivalent to an entry-level flat) even if a higher proportion (38%) exceed the income of £30,000 that would be needed according to the HNA assumptions. If rented homes are available at the prices estimated here, they appear to be affordable only to average earning households.
182. There is a relatively large group of households in Bovingdon who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £35,000 per year (at which point entry-level rents become affordable) and £90,000 (at which point entry-level market sale homes become affordable). This ‘can rent, can’t buy’ cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
183. 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, while rent to buy offers poorer long-term prospects but is helpful to those with little or no savings for a deposit, and First Homes at a 50% discount provides the best long-term support to those with slightly higher incomes able to afford both the mortgage and the deposit.
184. Neighbourhood plan qualifying bodies will 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 highest possible discount level of 50% is necessary and justified in Bovingdon. Seeking

higher discounts on First Homes may, however, have viability implications on schemes that could reduce the overall number of affordable homes, so the potential implications should be thought through with DBC.

185. Affordable rented housing is affordable to households with two lower earners (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered other than the smallest socially rented units. The weekly rent for a 1 bedroom social rented unit in Dacorum is £98.20, which is more than 14 of the 42 respondents to the CDA Herts survey about weekly housing funds could afford. Those with lower incomes will, if unable to secure a social rented dwelling or additional subsidy, need to live in a room in a shared house using housing benefit. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Bovingdon as the only option for a large segment of those in the greatest need.

Quantity of Affordable Housing needed

186. This report estimates Bovingdon's Affordable Housing needs through two calculations that use up-to-date and 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.
187. The result of the first calculation is a surplus of 1.4 affordable rented units per year (or 24 over the 17-year Neighbourhood Plan period). This is initially surprising given that there is estimated to currently be a backlog of 55 households in need (according to DBC data cited in the CDA Herts survey because DBC were not able to provide an updated equivalent figure for Bovingdon residents). However, what the model is suggesting is that turnover in the existing stock (as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change) should be sufficient to meet newly arising needs as well as lessen the current backlog over time.
188. That said, because of the inevitable mismatch between needs and supply in terms of property size, the need to address the large backlog as soon as possible, and the uncertainty around the current level of need, it is recommended that Bovingdon seeks to deliver some affordable rented housing, particularly early in the Plan period.
189. Turning to Affordable Housing providing a route to home ownership, it is estimated that around 11.1 households per year may be interested in such products (equating to a total of 183 over the Plan period).
190. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed already. 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.
191. It may not be achievable or even desirable to deliver this volume of affordable home ownership properties in the coming years as even greater numbers of market homes would be required to cross-subsidise delivery, many of the interested households might not be able to afford the necessary deposit, and there is a competing imperative to deliver affordable rented homes required for those with more urgent needs. However, this figure remains a useful indicator of the potential scale of demand and of the affordability challenge in Bovingdon.

Policy considerations

192. Dacorum's adopted policy on this subject (CS 19) requires 35% of all new housing to be affordable on sites larger than 5 dwellings. The emerging Local Plan raises the percentage target to 40% but applies it only to sites bringing forward more than 10 dwellings. It is likely that most windfall sites in the Bovingdon area would not meet the 10 dwelling threshold above which the policy applies, so the capacity for Affordable Housing delivery going forward largely depends on the larger sites allocated in the Local Plan.
193. 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 Bovingdon, and the community would benefit from efforts to maximise delivery where viable.
194. If 40% of the 240 new homes proposed for Bovingdon to 2038 are secured as affordable, this implies between 76 and 96 Affordable Housing units will be delivered (depending on how many of the 50 remaining after the 190 homes on allocated sites exceed the 10 unit threshold).
195. On the balance of factors listed in the Affordable Housing Policy Guidance section of this report, AECOM recommends that roughly 60% of Affordable Housing should take the form of rented tenures such as social and affordable rent (preferably the former), with the remaining 40% as affordable routes to home ownership, fulfilling the requirements of the new First Homes product and allowing for some shared ownership or other tenures to widen choice. This is an adjustment to the Local Plan default of 75% affordable rent to 25% affordable ownership to take account of the evidence gathered here for Bovingdon (as opposed to the whole of Dacorum).
196. However, there are three reasons why this might present a risk. The first is that the Local Plan places an explicit cap on the proportion of First Homes (at 25%) mandating that the remainder be provided as affordable/social rent. DBC may not be supportive of a Neighbourhood Plan tenure split that departs from this. Second, it would be worth monitoring the need among Bovingdon residents (or those with a local connection) on the housing register in case the figure used here is not representative. Third, the affordable home ownership products reviewed in this study appear unaffordable to most residents because of the high cost of market housing in the area. First Homes and shared ownership would primarily help people earning just below average rather than focusing support on those in the most urgent need.
197. The tenure mix suggested above should therefore be seen as a potential option. It is AECOM's advice that it should only be taken forward if the Steering Group have considered the risks outlined above, discussed the matter with DBC and/or investigated further as newer data becomes available.

Delivery expectations

198. Table 4-8 below summarises Bovingdon'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 target 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 for a variety of reasons. The figures included below represent the maximum level of delivery that might be expected and are unlikely to be delivered in practice.

Table 4-8: Estimated delivery of Affordable Housing in Bovingdon

	Step in Estimation	Expected delivery
A	Local Plan housing target	240
B	Affordable housing quota (%) in LPA's adopted Local Plan	35%
C	Potential total Affordable Housing in NA	84
D	Rented % (e.g. social/ affordable rented)	60%
E	Rented number	50
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	40%
G	Affordable home ownership number (C x F)	34

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

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

199. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Bovingdon 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 in Bovingdon going forward.
200. 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 recommendations in this chapter, particularly the final suggested 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

201. 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.
202. 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.
203. 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.
204. 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.

205. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in Bovingdon. The Valuation Office Agency (VOA) provides up-to-date counts but only to the scale of LSOAs, which cannot be combined to exactly recreate the NA boundary in this case. The ideal approach is to take the 2011 Census count and add to it details of the homes completed since 2011. DBC provided the total number of homes built since 2011 (119) as well as annual breakdowns for those built within the village envelope and other details for the wider ward.
206. However, the breakdown of the new homes since 2011 (in terms of type and size) could only be provided for the ward area rather than the parish or settlement boundary. Furthermore, the categories captured are: conversion / change of use, small dwelling, large dwelling, and other. These are not sufficiently precise to update the 2011 Census count, which specifies the number of bedrooms in each dwelling and whether it was detached, semi-detached, terraced, etc.
207. For the purpose of estimating the total number of homes in the parish today, adding the 119 new homes within the settlement boundary to the 2011 Census count for the parish of 1,983 is an accurate approach. However, it is not possible to estimate an accurate breakdown of the dwelling mix. The analysis in this chapter will need to fall back on the 2011 Census as the best available expression of the dwelling mix in the NA. However, since the increase in the number of homes is only around 6%, the breakdown of the new housing will not have a meaningful effect on the overall mix and the Census picture remains a robust baseline against which the future needs of the parish can be compared.

Dwelling type

208. The data in Table 5-1 below show that Bovingdon has a mix of dwelling types that is skewed toward typically less dense and larger homes – i.e. a higher proportion of detached and semi-detached homes than the district and country and fewer of the other denser types. However, the proportion of flats in Bovingdon is relatively close to wider averages, which is fairly unusual for a village.
209. Terraces and flats (or maisonettes separating houses into smaller units, which tend to be more in keeping with the character of villages) are generally the most affordable home types. While there are reasonable numbers of flats, the underrepresentation of terraces might be expected to limit the options for local people on lower incomes, particularly growing families or downsizers for whom flats are not considered suitable.
210. There are a number of bungalows in various locations across Bovingdon. These are not counted as a separate category in the Census, but are captured in VOA data for a slightly wider area than the parish. Across this wider area, 11% of homes are bungalows – a proportion more than twice the Dacorum average but not dissimilar to the national rate.
211. Although it is not necessarily a given that bungalows are completely accessible (e.g. for an occupant using a wheelchair), and flats can be equally suitable for people with mobility limitations, Bovingdon's relatively high number of Bungalows may represent a compelling offering for older and disabled households that ties in with the demographic profile of the parish.

212. It is interesting to note that the Steering Group survey found higher rates of detached and semi-detached housing than in the census (40% and 34% respectively) and lower rates of people living in terraces and flats (18% and 8% respectively). It is more likely that this speaks to high rates of survey response among people in the former types of home than an increase in the number of such houses. This is worth bearing in mind when the results of the survey around the type of home people believes in needed, since those occupying detached homes are more likely to wish to occupy detached homes than flats (for example) in future.

Table 5-1: Accommodation type, Bovingdon and wider geographies, 2011

Dwelling type	Bovingdon	Dacorum	England
Detached house	30.1%	21.3%	22.4%
Semi-detached house	30.3%	24.1%	31.2%
Terraced house	21.0%	31.5%	24.5%
Flat	17.8%	22.5%	21.2%

Source: Census 2011, AECOM Calculations

Dwelling size

213. Table 5-2 below sets out the current mix of housing by number of bedrooms in Bovingdon, again from the 2011 Census.

214. The size mix in Bovingdon aligns with the picture in terms of home types in that larger homes are over-represented compared with wider areas and there are correspondingly lower proportions of smaller homes. This is only the case to a relatively moderate degree, however, with no glaring gaps in the market evident.

215. Again, the Steering Group survey provides a stronger weighting toward larger homes than the Census, with just 3.5% of respondents living in a 1 bedroom property and a combined 45% living in homes with 4 or more bedrooms (compared with 33% in the Census).

Table 5-2: Dwelling size (bedrooms), Bovingdon, 2011

Number of bedrooms	Bovingdon	Dacorum	England
1	10.6%	12.5%	12.0%
2	20.3%	24.3%	27.9%
3	35.7%	39.7%	41.2%
4	24.6%	17.7%	14.4%
5+	8.8%	5.8%	4.6%

Source: Census 2011, AECOM Calculations

Age and household composition

216. Having established the current stock profile of Bovingdon, the evidence gathered below examines the composition and age structure of households living in the parish. Many of these indicators have a bearing on what housing might be needed in future years.

Age structure

217. Table 5-3 below shows the most recent estimated age structure of the Bovingdon population, alongside 2011 Census figures. The direction of travel in population

change is towards ageing: the largest growth in actual numbers is in the 65-84 age band and the largest proportional growth is in the 85+ band. The 249 additional people in those highest age bands represents nearly 90% of the overall growth in the population. All of the age groups below age 45 are estimated to have declined, but only slightly. There does not appear to be a significant issue with the loss of the younger replacement population; it is simply that older age groups are driving growth overall.

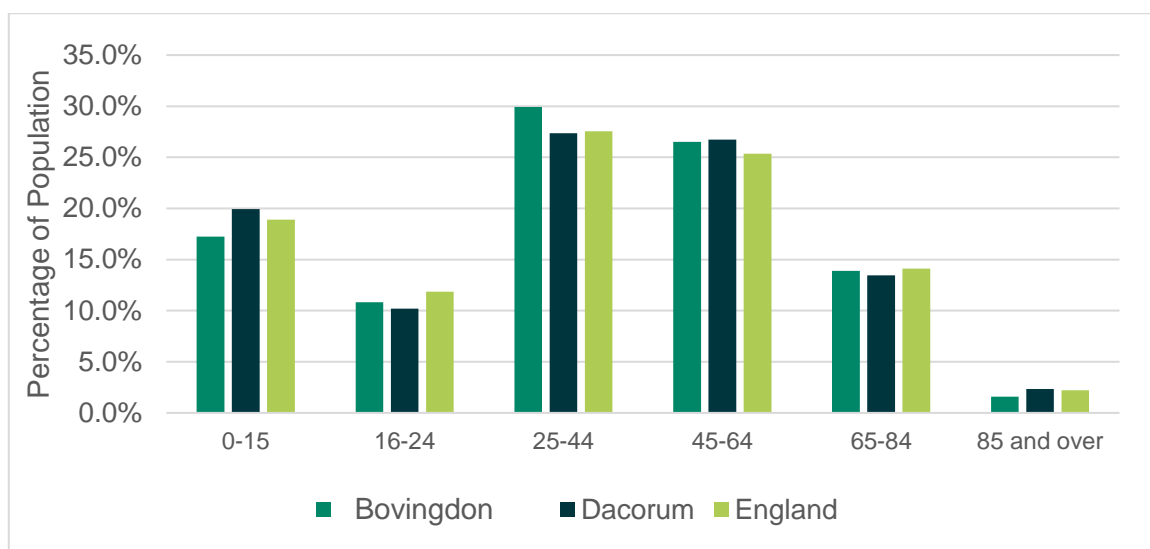
218. The prevalence of older people in the population is echoed in the Steering Group survey, which found that the highest number of people (in the households responding to the survey) fall into the 65-74 age band, with more than 200 people in each of the age bands above 45 years and closer to 100 in each of the younger ones. It is worth bearing in mind that the average age of respondents to household surveys tends to be higher than among the general population.
219. Note that ONS advises exercising caution with population estimates by single year of age (from which the 2019 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data. 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.

Table 5-3: Age structure of Bovingdon population, 2011 and 2019

Age group	2011 (Census)		2019 (ONS, estimated)	
0-15	911	17.2%	866	15.9%
16-24	573	10.8%	553	9.9%
25-44	1,583	29.9%	1,630	29.3%
45-64	1,401	26.5%	1,429	25.7%
65-84	735	13.9%	922	16.6%
85 and over	84	1.6%	146	2.6%
Total	5,287		5,566	

Source: ONS 2011, ONS mid-2019 population estimates, AECOM Calculations

220. The above data reveals potential demographic shifts in the last decade alone. It is important to note that in 2011 Bovingdon's population profile was in 2011 generally younger than the wider district and country: as in many other places, the shift toward ageing is happening and accelerating in Bovingdon now (see Figure 5-1 below).

Figure 5-1: Age structure in Bovingdon, 2011

Source: ONS 2011, AECOM Calculations

Household composition

221. Household composition (i.e. the combination and relationships of adults and children living together) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period.
222. Table 5-4 below shows that in 2011 Bovingdon had a similar proportion of one person households as the district average, a similar proportion of whom were aged over 65. Very few family households were aged over 65, with a clear majority of the younger families having dependent children than not.
223. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. While housing costs data (see previous chapter) indicate this is clearly the case, Bovingdon actually saw a slight contraction in this group between 2001 and 2011. It may be that the 2021 Census shows an uptick in line with the dramatic increase in house prices since 2011.

Table 5-4: Household composition, various geographies, 2011

Household composition		Bovingdon	Dacorum	England
One person household	Total	29.1%	28.8%	30.2%
	Aged 65 and over	13.3%	12.0%	12.4%
	Other	15.8%	16.8%	17.9%
One family only	Total	66.4%	65.5%	61.8%
	All aged 65 and over	9.3%	8.3%	8.1%
	With no children	18.3%	18.3%	17.6%
	With dependent children	29.4%	29.1%	26.5%
	All children Non-Dependent	9.3%	9.9%	9.6%
Other household types	Total	4.5%	5.7%	8.0%

Source: ONS 2011, AECOM Calculations

Occupancy ratings

224. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of Bovingdon. 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.
225. Census data on occupancy rating is only provided down to ward level (the merged ward of Bovingdon, Flaunden and Chipperfield), of which Bovingdon represents 64% of the population. However, it still gives a good indication of trends and proportions in the local area.
226. Across the ward, a combined 80% of people lived in a home with at least one extra bedroom in 2011, with 49% living in a home with two or more extra bedrooms. The percentage of people living in homes with fewer bedrooms than they might be expected to need is negligible at 3%, although this does indicate that around 132 people may have been (or still be) living in inadequate housing conditions in the parish.
227. 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.
228. It is useful to cross-reference this data by age bracket, presented in Table 5-5 below. Extreme under-occupancy (+2 rating) is strongly correlated with age, with those aged 50 or over much more likely to under-occupy their homes. This is likely because such households tend to be small (i.e. after children have moved out) but remain in homes large enough for families either by preference or for a lack of more suitable options nearby.

Table 5-5: Occupancy rating by age in Bovingdon, 2011

Age group	+2 rating	+1 rating	0 rating	-1 rating
0-15	37.2%	38.1%	21.3%	3.4%
16-49	36.5%	35.4%	24.8%	3.2%
50-64	63.9%	23.5%	10.9%	1.7%
65 and over	68.9%	21.7%	8.4%	1.1%
All ages	48.8%	30.7%	18.0%	2.5%

Source: ONS 2011, ONS mid-2019 population estimates, AECOM Calculations

Suggested future dwelling size mix

229. 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 Bovingdon 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 Bovingdon.
- 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 parish 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 assumptions into the model.

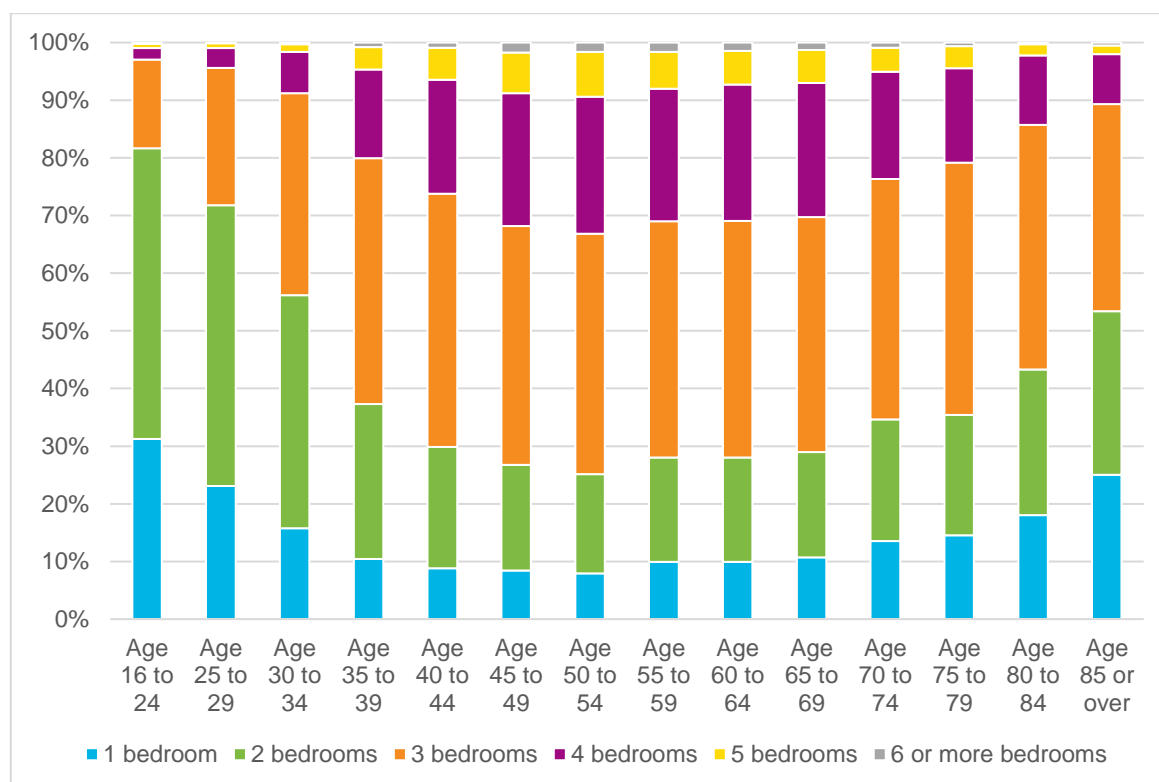
- Finally, this ‘ideal’ future mix of dwelling sizes can be compared to the current stock of housing in the NA (derived from the 2011 Census). From this we can identify how future development might best fill the gaps.

230. 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.

231. 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.

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

233. The first, given as Figure 5-2 below, sets out the relationship between household life stage and dwelling size for Dacorum 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, Dacorum, 2011

Source: ONS 2011, AECOM Calculations

234. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Bovingdon households in 2011. Table 5-6 below makes clear that population growth can be expected to continue to be driven by the oldest households, with the 65 and over category increasing by 58% from 2011 levels to become the dominant group at 38% of the projected total, while the youngest age groups decline or remain stable.

Table 5-6: Projected distribution of household life stages, Bovingdon, 2011-2038

Year	Age HRP and under 24	Age HRP 25 to 34	Age HRP 35 to 54	Age HRP 55 to 64	Age HRP 65 and over
2011	37	170	782	384	554
2038	35	171	775	461	874
% change 2011-2038	-4%	0%	-1%	20%	58%

Source: AECOM Calculations

235. The final result of this exercise is presented in Table 5-7 below. The model suggests that new development should be focused on 3 bedroom homes which, while already the most common are generally the most popular, suitable to many groups, and exist at lower proportions than across the district and country. The other clear direction is to further boost the supply of smaller homes from the current low base, while avoiding providing too many additional large homes because their current numbers are already in line (or exceeding) with what the population is expected to need.

Table 5-7: Suggested dwelling size mix to 2038

Number of bedrooms	Current (2011) distribution	Target (2038) distribution	Balance of new housing required to reach target mix
1	10.5%	12.7%	19.2%
2	20.3%	22.9%	29.2%
3	35.7%	40.3%	51.6%
4	24.6%	18.2%	0.0%
5+	8.8%	5.8%	0.0%

Source: Census 2011, AECOM Calculations

236. An injection of small and mid-sized homes would both improve Bovingdon's offering for younger households who have relatively few options for their first and next step on the property ladder and enable older households currently under-occupying larger homes to downsize. In so doing, they could potentially create churn in the market (although it is acknowledged that many of the larger historic properties thus vacated could be too expensive to be taken up by most young local households).
237. The model projects that no new homes should have more than 3 bedrooms. This is because larger homes are already plentiful. However, it is generally not advisable to restrict the supply of specific size categories too strictly. It may be, for example, that there is a need for different types of larger homes (i.e. more affordable ones) than those that exist currently, to accommodate growing families with less buying power.
238. Furthermore, 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. Some potential downsizers are looking for more compact but still high-specification homes with good amounts of space in a different layout, for example. 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.
239. It is important to emphasise that 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.
240. Question 12 of the Steering Group survey asked residents what size of housing in terms of bedrooms should be build in future. The results are reproduced in Table 5-8 below (with percentages calculated from the total number of responses rather than respondents, since respondents were able to select multiple options).
241. The survey found a very similar proportion of 2 bedroom homes needed to the HNA model, a lower need for 1 bedroom homes and a small additional proportion of larger homes needed. The latter point further justifies flexibility to allow continued (if limited or controlled) development of larger homes despite the findings of the HNA model. Given that the survey expresses the general unpopularity of 1 bedroom housing, despite the fact that it is undersupplied relative to the wider borough and generally the most affordable option, it may be sensible to reduce the targeted proportion of 1 bedroom homes suggested by the HNA model and to increase the allowance for larger (4+ bedroom) homes by an equivalent amount. If the Steering Group or community feel that 50% of homes

having 3 bedrooms is overly homogenous a similar adjustment could be made to that category also (for example, reducing it by 10% to allow for more larger homes than the model suggests).

242. Attention has been paid here to the Steering Group survey over the CDA Herts survey because of the former's higher response rate. However, it is worth mentioning that the equivalent question (16) in the CDA survey found a dramatically higher preference for 2 bedroom housing than indicated either the Steering Group survey or HNA model. This may also be helpful to take into account.

Table 5-8: Future dwelling size preferences

Number of bedrooms	% of responses 'don't know' excluded	% of responses with
1	10.4%	11.5%
2	26.0%	28.9%
3	34.9%	38.8%
4	14.7%	16.4%
5	3.1%	3.4%
6+	0.9%	1.0%
Don't know	10.1%	

Source: Bovingdon Neighbourhood Plan Steering Group Household Survey

243. Table 5-9 below attempts to synthesise the various considerations highlighted above, providing a final recommendation for the size mix of new housing needed in Bovingdon. It is important to emphasise that there is no scientific or statistical way of perfectly aligning and weighting these various considerations and flexibilities. Instead, the mix proposed below is based purely on AECOM's professional judgement on the factors raised, and should be seen as a starting point which the Steering Group may wish to further adapt. For the purposes of clarity and ease of application in Neighbourhood Plan policy, the percentages are rounded to the nearest 5%.

Table 5-9: Future dwelling size preferences

Number of bedrooms	Recommended mix
1	10%
2	35%
3	40%
4	10%
5+	5%

Source: Bovingdon Neighbourhood Plan Steering Group Household Survey

244. A similar exercise is not undertaken here for dwelling types since this is an area having more to do with wealth and preference than need in the strict sense. Any Neighbourhood Plan policy seeking to guide the mix of dwelling types should have regard to the results of the two surveys, the findings of the HNA chapter on affordability (since housing type is strongly correlated with price), and any guidelines associated with the historic character and environmental constraints of the parish.

Conclusions- Type and Size

245. 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

246. According to the 2011 Census (the latest robust data on housing types), Bovingdon has a housing mix that is skewed toward typically less dense and larger homes – i.e. a higher proportion of detached and semi-detached homes than the district and country and fewer of the other denser types. However, the proportion of flats in Bovingdon is relatively close to wider averages, which is fairly unusual for a village.

247. Around 11% of homes in Bovingdon are bungalows, which is more than twice the Dacorum average but not dissimilar to the national rate. Although it is not necessarily a given that bungalows are be completely accessible (e.g. for an occupant using a wheelchair), and flats can be equally suitable for people with mobility limitations, the availability of bungalows may represent an appealing offering for older people and those with mobility challenges.

248. The size mix in Bovingdon aligns with the picture in terms of home types in that larger homes are over-represented compared with wider areas and there are correspondingly lower proportions of smaller homes. This is only the case to a relatively moderate degree, however, with no glaring gaps in the market evident.

249. The picture of the existing dwelling mix by type and size from the Census broadly aligns with the findings of the Steering Group survey except for a higher weighting towards detached and larger homes among respondents. This is assumed to reflect higher rates of survey response among residents in this type of housing rather than an increase in development of such homes.

Demographics

250. The age structure of the population is a key indicator of the future need for housing. Bovingdon had a broadly similar demographic profile to wider Dacorum at the time of the 2011 Census, but a significant degree of ageing appears to have taken place between the Census and the latest ONS estimates for 2019. The largest growth in actual numbers is in the 65-84 age band and the largest proportional growth is in the 85+ band. The 249 additional people in those highest age bands represents nearly 90% of the overall growth in the population. All of the age groups below age 45 are estimated to have declined, but only slightly. There does not appear to be a significant issue with the loss of the younger replacement population; it is simply that older age groups are driving growth overall.

251. The prevalence of older people in the population is echoed in the Steering Group survey, which found that the highest number of people (in the households responding to the survey) fell into the 65-74 age band, with more than 200 people in each of the age bands above 45 years and closer to 100 in each of the

younger ones. It is worth bearing in mind that the average age of respondents to household surveys tends to be higher than among the general population.

252. Applying ONS household projections for Dacorum to the Bovingdon population suggests that by 2038 the 65 and over cohort could increase by 58% from 2011 levels to become the dominant group at 38% of the projected total, while the youngest age groups remain stable. It is clear that ageing will be a major driver of housing need in Bovingdon going forward, whether older households intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving needs.
253. Bovingdon has a high rate of under-occupancy, with 80% of people living in a home with at least one bedroom more than they would be expected to need (at the time of the last Census). 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. Indeed, over-occupancy is strongly correlated with age, with those aged 50 and over much more likely to have more than two additional bedrooms.

The future dwelling mix

254. The results of a modelling exercise, which looks at the sizes 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 should be focused on 3 bedroom homes which, while already the most common are generally the most popular, suitable to many groups, and exist at lower proportions than across the district and country. The other clear recommendation is to further boost the supply of smaller homes from the current low base, while avoid too many additional large homes because their current numbers are already in line with (or exceeding) what the population is expected to need.
255. A further injection of small and mid-sized homes would both improve Bovingdon's offering for younger households who have few options for their next step on the property ladder and enable older households currently under-occupying larger homes to downsize and in so doing potentially create churn in the market (although it is acknowledged that many of the larger historic properties may be too expensive to be taken up by young local households).
256. The preceding chapter found that affordability is a serious and worsening challenge in Bovingdon. 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. Providing smaller homes with fewer bedrooms, as is recommended here, would help to address this situation.
257. However, it is generally not advisable to restrict the supply of specific size categories too strictly. Further considerations that would justify adjusting the recommended mix are summarised below.

Further considerations

258. The results of the Steering Group survey suggest that 1 bedroom homes are unpopular and that there will continue to be need for larger homes despite their relative abundance already. The CDA Herts survey also found a very high preference for 2 bedroom housing.

259. To best meet the needs of the large cohort of older households expected to be present by 2038, 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, whose needs are far from identical. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.
260. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in the parish. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a valid justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power. This is too speculative to quantify in a percentage size mix, but is among the good reasons not to overly inhibit any size of dwelling entirely (despite the results of the HNA model which argue against further supply of 4+ bedroom homes).
261. 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 and smaller 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.
262. To reflect these considerations and particularly the results of the two surveys, an additional recommended mix is provided: 10% of homes to have 1 bedroom, 35% to have 2 bedrooms, 40% to have 3 bedrooms, 10% to have 4 bedrooms and 5% to have 5 or more bedrooms. This represents a starting point for further thought and consultation.

6. RQ 3: Specialist Housing for Older and Disabled People

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

Introduction

263. This section considers the specialist housing needs of older and disabled people in Bovingdon. This primarily refers to the group of people who are both older and have some form of mobility limitation or support need. However, housing with some form of care need not be restricted by age and may equally well cater to the needs of disabled people in younger age groups. This assessment attempts mainly to understand the scale of housing need among older people with support requirements because they tend to be best accommodated by (and/or prefer to live in) specialist schemes as opposed to living in independent housing, but the aspirational range calculated here should be interpreted flexibly so as not to exclude younger people with similar needs, and can help to justify ambitious standards of accessibility in new housing to the benefit of people of all ages.
264. The housing needs of older people without mobility or other limitations – i.e. the general preferences of older households, such as for homes suitable for downsizing – are built into the previous chapter of this assessment and are not included here.
265. 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.
266. 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.
267. 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.
268. 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,⁹ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

269. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁰
270. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹¹ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for the elderly) 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 section 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

271. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Here, information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: <http://www.housingcare.org>.
272. This source suggests that there are currently two schemes of specialist accommodation in the NA at present. These are:
- Dudley Close: 35 socially rented retirement flats and bungalows with resident management staff and guest facilities; and
 - Mountbatten House: 34 leasehold flats (1-2 bedroom) restricted to those aged 60+ with non-resident management staff and an alarm service. This was developed relatively recently.
273. There are also 44 such schemes in Hemel Hempstead and 11 in Chesham which may help to meet the needs of Bovingdon residents.
274. The 2011 Census found that there were 750 individuals living in a communal establishment in Bovingdon (14.2% of all people), but it is likely that this is associated with HM Prison The Mount rather than a care home or similar establishment.

⁹ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

¹⁰ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹¹ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Tenure-led projections

275. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Dacorum in the 2011 Census, as this is the most recent and smallest geography for which tenure by age bracket data is available.
276. The 2011 55-75 age bracket is considered the best proxy for the group most likely to fall into need for specialist accommodation during the Plan period to 2038. 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 in retirement.
277. Table 6-1 below shows that the vast majority of 55-75 year-olds in Dacorum in 2011 were homeowners, which is higher than the rate of home ownership among the wider population at 65%. Very few older households rent privately: four-fifths of the remaining households live in socially rented accommodation.
278. As noted in the Tenure section, home ownership in Bovington is very high at 76%. If the Dacorum trend of older people being more likely to own their homes holds for Bovington, the rate of ownership among older Bovington households very likely exceeds 80% or 90%.

Table 6-1: Tenure of households aged 55-75, Dacorum, 2011

All owned	Owned outright	Owned with a mortgage, loan or Shared Ownership	All rented	Social rented	Private rented	Living rent free
75.1%	51.4%	23.6%	24.9%	20.0%	4.3%	0.7%

Source: Census 2011

279. The next step is to project how the overall number of older people in Bovington is likely to change in future, by extrapolating ONS 2019 mid-year population estimates using the ONS Sub-National Population Projections for Dacorum in 2038. The results are set out in Table 6-2 below. It appears that the 75+ population in the parish will increase from 9% of the total currently to 13% in 2038 – equivalent to 265 additional older individuals and 55% growth in that age cohort.
280. It is worth pausing to emphasise these figures, which suggest that older people will clearly form a key and fast-growing segment of the demand for housing in future years.

Table 6-2: Modelled projection of elderly population in Bovingdon by end of Plan period

Age group	2019		2038	
	Bovingdon	Dacorum	Bovingdon (AECOM Calculation)	Dacorum (ONS projection)
All ages	5,566	154,763	5,885	163,619
75+	485	12,605	750	19,488
%	8.7%	8.1%	12.7%	11.9%

Source: ONS 2019 mid-year population estimates, ONS population projections 2018-based, AECOM Calculations

281. A key assumption for the next stages of the calculation is that the 485 older people living in the NA in 2019 (and others with disabilities) are suitably accommodated at present, 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).
282. The people whose needs are the focus of the subsequent analysis are therefore the additional 265 individuals expected to join the 75+ age group between 2019 and 2038. Ensuring that the needs of the growth in this population cohort will give a conservative estimate of the housing delivery or adaptation that may be required, which the Steering Group may wish to exceed in order to meet any unmet needs among the existing older population and others with similar requirements.
283. This growth figure of 265 should also be converted into households with reference to the average number of people per household with a life stage of 75+ in Dacorum in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 11,573 individuals aged 75+ and 8,301 households headed by a person in that age group. The average household size is therefore 1.39, and the projected growth of 265 older people in Bovingdon can be estimated to be formed into around 190 households.
284. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure in Dacorum (Table 6-1 above). This is set out in Table 6-3 below. This provides a breakdown of which tenures those households are likely to need.

Table 6-3: Projected tenure of households aged 75+ in Bovingdon by the end of the Plan period

All owned	Owned outright	Owned with a mortgage, loan or shared ownership	All rented	Social rented	Private rented	Living rent free
143	98	45	47	38	8	1

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

285. 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 6-4 below presents this data for Bovingdon from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

286. It is worth also observing rates of disability in the overall population in Bovingdon. In 2011 there were 230 people whose activities were limited a lot and 355 whose activities were limited a little, equating to 5% and 8% of all people respectively. Thus, looking at the data below, it is apparent that 59% of people in the former category and 52% in the latter were aged over 65. Almost half of the remaining disabled residents were aged between 50 and 64 when mobility limitations tend to become more prevalent.

287. Disabled people in younger age groups tend to live more independent lives, are more likely to have care provided by parents, partners or others in their own homes, and generally do not wish to live in specialist settings. The numbers of younger disabled people therefore do not translate into specialist housing needs in the same way. However, ambitious standards of accessibility and adaptability in new housing have the advantage of benefitting all groups regardless of age.

Table 6-4: Tenure and mobility limitations of those aged 65+ in Bovingdon, 2011

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories: Tenure	813	135	16.6%	186	22.9%	492	60.5%
<i>Owned or shared ownership: Total</i>	702	97	13.8%	161	22.9%	444	63.2%
Owned: Owned outright	624	80	12.8%	153	24.5%	391	62.7%
Owned: Owned with a mortgage or loan or shared ownership	78	17	21.8%	8	10.3%	53	67.9%
<i>Rented or living rent free: Total</i>	111	38	34.2%	25	22.5%	48	43.2%
Rented: Social rented	83	30	36.1%	18	21.7%	35	42.2%
Rented: Private rented or living rent free	28	8	28.6%	7	25.0%	13	46.4%

Source: Census 2011

288. 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 80.

289. These findings are set out in Table 6-5 below, 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 whose day-to-day activities are limited only a little may simply need adaptations to their existing homes, or sheltered or retirement living that can provide some degree of oversight or additional services. It is important to note that even those people who have high 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 6-5: AECOM estimate of specialist housing need in Bovingdon 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	36
	16	20	
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	44
	11	33	
Total	27	53	80

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

290. It is worth comparing the above 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. Table 6-6 below 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.

Table 6-6: 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: HLIN SHOP Toolkit

291. As Table 6-3 shows, Bovingdon is forecast to see an increase of 265 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 = $60 \times .265 = 16$
- Leasehold sheltered housing = $120 \times .265 = 32$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times .265 = 5$
- Extra care housing for rent = $15 \times .265 = 4$
- Extra care housing for sale = $30 \times .265 = 8$
- Housing based provision for dementia = $6 \times .265 = 2$

292. This produces an overall total of 67 specialist dwellings which might be required by the end of the plan period.

293. Table 6-7 below sets out the HLIN recommendations in the same format as Table 6-5 above. It is important to stress that the SHOP toolkit embeds assumptions that uplift the provision of specialist accommodation compared to current rates.

Table 6-7: HLIN estimate of specialist housing need in Bovingdon 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	19
	8	11	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	48
	16	32	
Total	24	43	67

Source: Housing LIN, AECOM calculations

Household survey results

294. The two household surveys conducted by the Steering Group and CDA Herts in 2019 posed a range of questions that help to illuminate the need for specialist or adaptable accommodation for older and disabled people.
294. The Steering Group survey identified 72 respondents having a mobility issue and 89 who hold a blue badge. The other potential responses were none (574 responses) and don't know (5). Because the total number of respondents to this question was 694 but the number of answers selected sums to 740, it is assumed that 46 respondents answered that they both have a mobility issue and a blue badge (since they were unlikely to combine an affirmative response to either of those options as well as the options 'none' or 'don't know'). Therefore around 115 respondents have either a mobility issue or blue badge or both, and 72 respondents have some form of mobility issue – which is generally a more important consideration for housing need than the other reasons a person may hold a blue badge.
295. The CDA Herts survey asked whether respondents were in need of new or alternative accommodation and then asked the 55 respondents who answered in the affirmative the reason for their housing need. This follow-up question (question 10) allowed respondents to select multiple reasons, tabulating 153 instances in which reasons were selected as important, very important and most important.
296. There were 22 instances where respondents selected 'need care due to health or mobility issues', 20 where they selected 'need a home which is physically accessible or able to be adapted because of disability' and 16 where they selected 'need to live closer to family in order to give or receive help/support'. Given the nature of the question, it is likely that many respondents selected two or more of these overlapping categories so there are unlikely to be 58 separate households needing to move for one of these reasons (indeed the total number of respondents was 55). It is not clear whether an accessible/adaptable home alone would serve their requirements or needs to be combined with additional care.
297. However, even if the 20 respondents needing accessible or adaptable housing all also selected the reason involving health and mobility, there are at least 22 households needing housing that better serves their health and mobility circumstances in some way.
298. It is worth noting that this figure corresponds to the 22 respondents who identified bungalows as their preference for type of accommodations (question 15), 3 of whom also expressed a preference for sheltered housing for older people. This latter point is interesting in its suggestion that people interested in bungalows (who may include many older and disabled households) much prefer this independent living option to the option of living in a specialist scheme reserved for older people specifically.
299. The survey evidence on this topic strongly supports the finding of this chapter that Bovingdon needs homes that are better suited to older and disabled people both now and in future. The survey findings present lower figures than are calculated above, but it is worth remembering that the surveys were not completed by all residents (with a response rate of 35% for the Steering Group survey and 22% for the CDA Herts survey) and that the HNA estimates are

projected forward to the end of the Plan period while the surveys asked residents about their present circumstances or near-term future intentions.

Conclusions- Specialist housing for older people

Demographic trends and the quantity of housing needed

301. There are currently estimated to be around 485 people aged 75 or over living in Bovingdon. Applying district-level projections to Bovingdon's population suggests that the 75+ population in the parish will increase from 9% of the total currently to 13% in 2038 – equivalent to 265 additional older individuals and a 55% growth rate for that age cohort. There appear to be around 69 units of specialist accommodation in Bovingdon at present across two schemes.
302. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
303. These two methods of estimating the future need in Bovingdon produce a range of 67 to 80 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, either in the 69 units of such accommodation that exist at present or through adaptations to their own homes. If this is perceived or found not to be the case, it would justify aspiring to exceed the range identified here.
304. The two household surveys corroborate the identified need for specialist or accessible/adaptable housing in Bovingdon, finding that 72 respondents have a mobility limitation and at least 22 respondents need to move to a home that better meets their health or mobility needs. Because of response rate limitations and the different time horizons of the HNA and surveys, these figures are not equivalent to the estimates calculated here. The survey findings do, however, confirm that need exists and give other helpful detail, such as the likelihood that those needing to move for mobility reasons strongly prefer to live independently in accessible bungalows than in age-specific sheltered housing.
305. While people aged 65+ represent around 60% of the people with severe mobility limitations in Bovingdon, around half of the remainder are aged 50-65 and may qualify in future for age-limited housing. Disabled people in younger age groups tend to live more independent lives, are more likely to have care provided by parents, partners or others in their own homes, and generally do not wish to live in specialist settings. The numbers of younger disabled people therefore do not translate into specialist housing needs in the same way. However, ambitious standards of accessibility and adaptability in new housing (discussed below) have the advantage of benefitting all groups regardless of age.

Characteristics of need for specialist housing

306. The overall range described above includes housing at various levels of support as well as both market and affordable housing. In both estimates, it was found that the majority of need will be for market housing (as opposed to affordable) and for sheltered accommodation (with less rather than more care), although there is need that could be accommodated in any category. For this reason, any type of scheme that might come forward should be welcomed from the

perspective of need as long as it is in line with the community's wider objectives, appropriately located and suitable for other reasons.

307. However, it is worth noting that the existing specialist housing is relatively evenly split between market and affordable rented tenures, but is all in the category of sheltered housing (with relatively less care). There may therefore be a larger gap in existing provision that would be filled by extra-care housing, and such schemes might therefore be especially welcomed.
308. Furthermore, the larger quantity of need for sheltered housing is by definition driven by those with less severe support needs. These needs have the potential to be met through adaptations to the existing housing stock. If no additional specialist accommodation is to be brought forward during the Plan period, another avenue open to the Neighbourhood Plan is therefore to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan, and to encourage the adaptation of existing properties through grant schemes and other means (though it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock).
309. Emerging Local Plan Policy DM10 requires that 20% of all new homes (rising to 100% of those in the socially rented tenure) should meet building regulations category M4(2) standards for accessibility and adaptability. It also requires that 5% (rising to 10% for Council-nominated stock) be built to category M4(3) standards for wheelchair users. These requirements are already fairly ambitious and very clear.
310. However, we have established that the NA population is slightly older than that of wider Dacorum and the strong evidence of potential demand for accessible housing provided here (especially in the context of limited expected delivery of specialist housing through known allocations) may be sufficient to justify a higher proportion of all housing that would be expected to meet category M4(2) standards in Bovingdon if this avenue has the support of DBC.
311. The borough-wide proportion of new housing that should accommodate those using wheelchairs is already more ambitious than in most other areas and, while the actual incidence of wheelchair use in Bovingdon was not able to be tallied here, is likely to be sufficient to the community's need.

Location suitability

312. 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.
313. 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 rural parishes from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

314. The 'hub-and-spoke' model is the idea that larger towns with more services and amenities (and fewer constraints on development) can provide more than their fair share of older people's housing so that more constrained villages with fewer services can accommodate less. In AECOM's view, Bovingdon may be a reasonably good location for a specialist housing scheme given its relatively wide range of services, proximity to two towns and (somewhat limited) public transport service. However it is also arguable that due to its size, the parish would be a spoke rather than a hub in this scenario, with Hemel Hempstead continuing its role as the key hub.
315. It is important to emphasise that the suitability of Bovingdon for specialist accommodation in terms of the level and range of service provision, the topography of the village and any potential sites, and other such factors is beyond the scope of this assessment. The question of how far to support or promote future specialist accommodation is a strategic policy choice for the Steering Group and wider community.

7. Conclusions

Overview

316. Table 7-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

Table 7-1: Summary of study findings specific to Bovingdon with a potential impact on Neighbourhood Plan housing policies

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	<p>Bovingdon's current tenure mix reveals that the parish has a higher rate of home ownership than wider Dacorum and England, while social renting is far less common. Rates of private renting and shared ownership are broadly similar to wider averages. While precise figures are unknown, given annual totals supplied by DBC it is unlikely that much if any further Affordable Housing has been delivered in the parish since the 2011 Census.</p> <p>Home values in Bovingdon have increased significantly over the last ten years, with the result that the average entry-level home now costs £358,000 – around £140,500 more than in 2011 – while the median is £159,500 higher at £439,500. Property in Bovingdon is similarly priced to that across Dacorum as a whole.</p> <p>The average household income in Bovingdon is £51,700, and the lower quartile income (per person) for Dacorum was £15,904 in 2019. The CDA Herts survey provides further detail on incomes and buying power among local people who need to move, indicating that most households in this category have lower than average incomes and that only the upper part of the wide range of local incomes is sufficient to afford local housing costs.</p> <p>Comparing housing costs with incomes we find that home ownership through the mainstream market is not an option for the majority of local people. Private renting is generally more affordable than ownership in Bovingdon, but still only an option for higher earners. There is a relatively large group of households in Bovingdon who may be able to afford to rent privately but cannot afford home ownership. This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership. However, households with a single lower earner appear unable to afford any of the tenures considered other than the smallest socially rented units. Those with lower incomes will, if unable to secure a social rented dwelling or additional subsidy, need to live in a room in a shared house using housing benefit.</p>	<p>This HNA finds that the highest possible discount level of 50% on First Homes is necessary and justified in Bovingdon. Seeking higher discounts on First Homes may, however, have viability implications on schemes that could reduce the overall number of affordable homes, so the potential implications should be thought through with DBC.</p> <p>This report estimates a surplus of 1.4 affordable rented units per year (or 24 over the 17-year Neighbourhood Plan period). However, because of the inevitable mismatch between needs and supply in terms of property size, the need to address the large backlog as soon as possible, and the uncertainty around the current level of need, it is recommended that Bovingdon seeks to deliver some affordable rented housing, particularly early in the Plan period.</p> <p>Turning to Affordable Housing providing a route to home ownership, it is estimated that around 11.1 households per year may be interested in such products (equating to a total of 183 over the Plan period).</p> <p>If 40% of the 240 new homes proposed for Bovingdon to 2038 are secured as affordable, this implies between 76 and 96 Affordable Housing units will be delivered (depending on how many of the 50 remaining after the 190 homes on allocated sites exceed the 10 unit threshold).</p> <p>On the balance of factors listed in the Affordable Housing Policy Guidance section of this report, AECOM recommends that roughly 60% of Affordable Housing should take the form of rented tenures such as social and affordable rent (preferably the former), with the remaining 40% as affordable routes to home ownership. However, there are reasons why this might present a risk, with the Local Plan default offering a fall-back option.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing type and size	<p>Bovingdon has a housing mix that is skewed toward typically less dense and larger homes – i.e. a higher proportion of detached and semi-detached homes than the district and country and fewer of the other denser types. However, the proportion of flats in Bovingdon is relatively close to wider averages, which is fairly unusual for a village. Around 11% of homes in Bovingdon are bungalows, which is more than twice the Dacorum average but not dissimilar to the national rate.</p> <p>The size mix in Bovingdon aligns with the picture in terms of home types in that larger homes are over-represented compared with wider areas and there are correspondingly lower proportions of smaller homes. This is only the case to a relatively moderate degree, however, with no glaring gaps in the market evident. Bovingdon has a high rate of under-occupancy, with 80% of people living in a home with at least one bedroom more than they would be expected to need (at the time of the last Census).</p> <p>The picture of the existing dwelling mix by type and size from the Census broadly aligns with the findings of the Steering Group survey except for a higher weighting towards detached and larger homes among respondents. This is assumed to be a reflection of higher rates of survey response among residents in this type of housing rather than an increase in development of such homes.</p> <p>Bovingdon had a broadly similar demographic profile to wider Dacorum at the time of the 2011 Census, but a significant degree of ageing appears to have taken place between the Census and the latest ONS estimates for 2019. The largest growth in actual numbers is in the 65-84 age band and the largest proportional growth is in the 85+ band.</p>	<p>Applying ONS household projections for Dacorum to the Bovingdon population suggests that by 2038 the 65 and over cohort could increase by 58% from 2011 levels to become the dominant group at 38% of the projected total, while the youngest age groups remain stable. It is clear that ageing will be a major driver of housing need in Bovingdon going forward.</p> <p>The results of a modelling exercise suggests that development should be focused on 3 bedroom homes which, while already the most common are generally the most popular, suitable to many groups, and exist at lower proportions than across the district and country. The other clear recommendation is to further boost the supply of smaller homes from the current low base, while avoiding too many additional large homes because their current numbers are already in line with (or exceeding) what the population is expected to need.</p> <p>The preceding chapter found that affordability is a serious and worsening challenge in Bovingdon. 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. Providing smaller homes with fewer bedrooms, as is recommended here, would help to address this situation.</p> <p>The results of the Steering Group survey suggest that 1 bedroom homes are unpopular and that there will continue to be need for larger homes despite their relative abundance already. The CDA Herts survey also found a very high preference for 2 bedroom housing. To reflect these findings and the additional considerations described below, an additional recommended mix is provided: 10% of homes to have 1 bedroom, 35% to have 2 bedrooms, 40% to have 3 bedrooms, 10% to have 4 bedrooms and 5% to have 5 or more bedrooms.</p>

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Specialist housing for older people	<p>There are currently estimated to be around 485 people aged 75 or over living in Bovingdon. Applying district-level projections to Bovingdon's population suggests that the 75+ population in the parish will increase from 9% of the total currently to 13% in 2038 – equivalent to 265 additional older individuals and a 55% growth rate for that age cohort. There appear to be no units of specialist accommodation in Bovingdon at present.</p> <p>While people aged 65+ represent around 60% of the people with severe mobility limitations in Bovingdon, around half of the remainder are aged 50-65 and may qualify in future for age-limited housing. Disabled people in younger age groups tend to live more independent lives, are more likely to have care provided by parents, partners or others in their own homes, and generally do not wish to live in specialist settings. The numbers of younger disabled people therefore do not translate into specialist housing needs in the same way. However, ambitious standards of accessibility and adaptability in new housing (discussed below) have the advantage of benefitting all groups regardless of age.</p> <p>The existing specialist housing is relatively evenly split between market and affordable rented tenures, but is all in the category of sheltered housing (with relatively less care).</p> <p>Emerging Local Plan Policy DM10 requires that 20% of all new homes (rising to 100% of those in the socially rented tenure) should meet building regulations category M4(2) standards for accessibility and adaptability. It also requires that 5% (rising to 10% for Council-nominated stock) be built to category M4(3) standards for wheelchair users.</p>	<p>Two methods of estimating the future need in Bovingdon produce a range of 67 to 80 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, either in the 69 units of such accommodation that exist at present or through adaptations to their own homes. If this is perceived or found not to be the case, it would justify aspiring to exceed the range identified here.</p> <p>In both estimates, it was found that the majority of need will be for market housing (as opposed to affordable) and for sheltered accommodation (with less rather than more care), although there is need that could be accommodated in any category.</p> <p>The two household surveys confirm that need exists and give other helpful detail, such as the likelihood that those needing to move for mobility reasons strongly prefer to live independently in accessible bungalows than in age-specific sheltered housing.</p> <p>The need among those with less severe mobility challenges has the potential to be met through adaptations to the existing housing stock. An avenue open to the Neighbourhood Plan is to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan.</p> <p>It is important to emphasise that the suitability of Bovingdon for specialist accommodation in terms of the level and range of service provision, the topography of the village and any potential sites, and other such factors is beyond the scope of this assessment. The question of how far to support or promote future specialist accommodation is a strategic policy choice for the Steering Group and wider community.</p>

Recommendations for next steps

317. This Neighbourhood Plan housing needs assessment aims to provide Bovingdon with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the Neighbourhood Plan Group should, as a next step, discuss the contents and conclusions with DBC 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 DBC;
- 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 DBC.

317. 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.

318. Bearing this in mind, it is recommended that the Steering Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, DBC or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

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

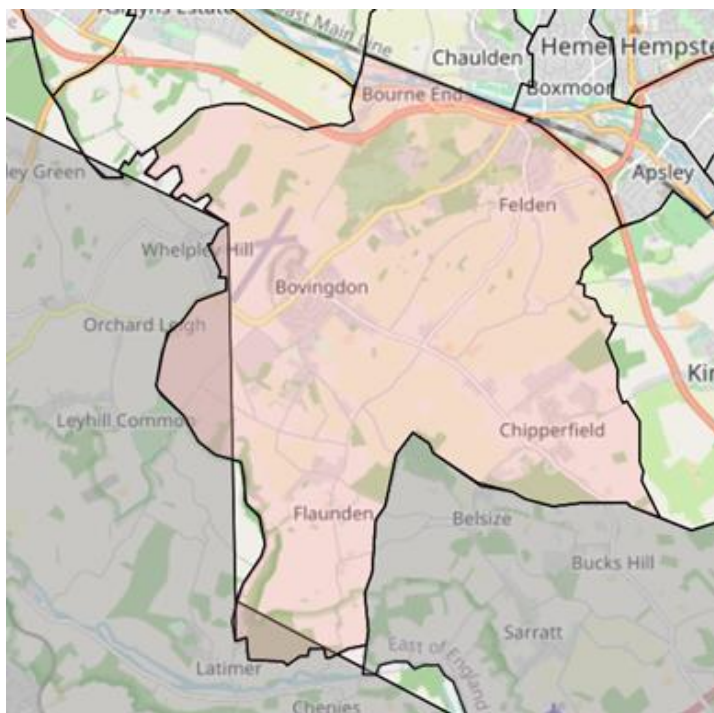
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

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

321. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Bovingdon, it is considered that MSOA E02004876 is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of the MSOA appears below in Figure A-1, showing its relative alignment but slightly greater extent than the NA itself.

Figure A-1: MSOA E02004876 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

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

323. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a household'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

324. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
325. 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 Bovingdon (other than a small sample provided in the CDA Herts survey, discussed in the main body of the report), 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.
326. The calculation for the purchase threshold for market housing is as follows:
- Value of median NA house price (2020) = £439,500;
 - Purchase deposit at 10% of value = £43,950;
 - Value of dwelling for mortgage purposes = £395,550;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £113,014.
327. 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 2020 was £358,000, and the purchase threshold is therefore £95,057.
328. Finally, it is worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records just one sale of new build housing in Bovingdon in 2020 and a further one in 2019. Although there were 31 new build sales in 2018, these were all leasehold flats in age-restricted Mountbatten House and do not provide an appropriate representation of new build housing in the area generally.
329. It is therefore necessary to turn to new build house prices across a wider area. Because Bovingdon house prices are very similar to wider Dacorum (between a 1% and 9% divergence – in both directions – depending on the dwelling type considered), and there was a sufficiently robust sample of 124 new build transactions across the borough in 2020, Dacorum new build prices offer a good proxy for the likely cost of newly built housing in Bovingdon in future years.
330. The overall average new build price across Dacorum in 2020 was £360,175, which falls between the average price of a flat (£201,716) and a terraced home (£499,444). This therefore provides an appropriate proxy for the likely cost of newly built entry-level housing in Bovingdon, upon which the pricing of First Homes and shared ownership is likely to be based. The cost of newly built housing at higher than entry-level value could range as high as the 2020 Dacorum new build detached average of £776,665. This figure is useful for context, but is not taken forward in the HNA estimates about the cost of affordable routes to ownership – which are generally aimed at first-time buyers and are unlikely to be detached in such a high value area.

331. The cost of entry-level new build housing at £360,175 falls slightly above the price of exiting entry-level homes in the parish, which makes sense given the price premium generally associated with newly built housing. The overall purchase threshold for entry-level new build housing is £92,616, though as noted in the main body of the report this is simply an average benchmark – there is room for housing to come forward that is less or more expensive than this based on its size, type, location and various other factors.

ii) Private rent

332. Income thresholds are used to calculate the affordability of rented 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.

333. 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.

334. The property website Rightmove can be used to gather rental listing data. There were 10 properties listed for rent in the NA at the time of search in August 2021, and a slightly wider radius of ½ a mile beyond the parish was used to gather an additional sample of 3 houses to give a better representation of the cost of this type of accommodation.

335. The total sample of 13 listings produces two averages: the entry-level market rent derived from the cost of 1-2 bedroom flats within the parish of £850 per month, and the average market rent derived from the cost of 2-3 bedroom houses within the parish or ½ a mile beyond it of £1,250 per month.

336. The calculation for the private rent income threshold for entry-level housing, is as follows:

- Annual rent = £850 x 12 = £10,200;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £34,000.

337. The income threshold for the overall average monthly rent of £1,250 is £50,000.

A.3 Affordable Housing

338. There are a range of tenures that constitute the definition of Affordable Housing within the 2021 NPPF: 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 to replace Starter Homes. Each of the affordable housing tenures are considered below.

i) Social rent

339. 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.
340. To determine social rent levels, a statistical data return from Homes England is used. This data is only available at the Local Authority level, so Dacorum must act as a proxy for Bovingdon. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Dacorum in the table below.
341. To determine the income needed, it is again assumed that no more than 30% of household 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, Dacorum, 2019

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£98.20	£115.09	£127.79	£136.39	£116.28
Annual average	£5,106	£5,985	£6,645	£7,092	£6,047
Income needed	£17,004	£19,929	£22,128	£23,617	£20,135

Source: Homes England, AECOM Calculations

ii) Affordable rent

342. 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).
343. 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%.
344. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Dacorum (above). Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.

Table A-2: Affordable rent levels, Dacorum, 2019

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£136.84	£167.98	£215.07	£253.78	£168.33
Annual average	£7,116	£8,735	£11,184	£13,197	£8,753
Income needed	£23,695	£29,087	£37,242	£43,945	£29,148

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

345. 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.

346. 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

347. 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.

348. The starting point for these calculations is therefore the estimated cost of an entry-level new build home in Bovingdon of £348,500 noted above. For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Assumed value of an entry-level new property = £360,175;
- Discounted by 30% = £252,122;
- Purchase deposit at 10% of value = £25,212;
- Value of dwelling for mortgage purposes = £226,910;
- Divided by loan to income ratio of 3.5 = purchase threshold of £64,831.

349. 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 £55,570 and £46,308 respectively.

350. It should be noted that the 30% discount level would only just bring the discounted price below the ceiling of £250,000. Slightly larger or higher specification First Homes might not comply with the requirements, and would either have to be delivered at the maximum price or at higher discount levels (as recommended in the main body of this report). Even with the greatest discount, a £18,009 deposit would be required and may represent a significant barrier for many households.

351. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

352. 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 £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in Bovingdon.

Shared ownership

353. 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'.

354. 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.

355. To determine the affordability of shared ownership, calculations are again based on the estimated costs of newly built entry-level housing. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

356. The affordability threshold at a 25% equity share is calculated as follows:

- A 25% equity share of £360,175 is £90,044;
- A 10% deposit of £9,004 is deducted, leaving a mortgage value of £81,039;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £23,154;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £270,131;
- The estimated annual rent at 2.5% of the unsold value is £6,753;
- This requires an income of £22,511 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £45,665 (£23,154 plus £22,511).

357. The same calculation is repeated for equity shares of 10% and 50%, producing affordability thresholds of £36,275 and £61,316 respectively.

Rent to buy

358. Rent to buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent 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 to be used to buy equity in the property with the saved portion of the rent.

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 methods¹².

Age-Restricted General Market Housing

A type of housing which is generally for people aged 55 and over and the active elderly. 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 Standard¹³

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

Co-living

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

¹² The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

¹³ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Community Led Housing/Community Land Trusts

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

Community Right to Build Order¹⁴

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)¹⁵

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

Equity Loans/Shared Equity

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

Extra Care 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.

¹⁴ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

¹⁵ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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

The Government has recently confirmed the introduction of First Homes as a new form of discounted market housing which will provide a discount of at least 30% on the price of new homes. 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 years¹⁶, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

¹⁶ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

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

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

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living "rent free". Around 20% of the private rented sector are in this category, 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%, 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 Housing¹⁷

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

¹⁷ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

(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 the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.¹⁸

¹⁸ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

