Lambourn

Housing Needs Assessment (HNA)

May 2024

Delivering a better world

Quality information

Prepared by	Checked by	Approved by
Stephanie Brewer Associate Director	Paul Avery Principal Consultant	Paul Avery Principal Consultant

Revision History

Revision	Date	Authorized	Position
1. First Draft	April 2024	Stephanie Brewer	Associate Director
2. Internal Review	April 2024	Paul Avery	Principal Consultant
3. Group Review	April 2024	Sue Cocker	Steering Group Chair
4. Locality Review	May 2024	Annabel Osborne	Neighbourhood Planning Officer
5. Final Report	April 2024	Paul Avery	Principal Consultant

Prepared for: Lambourn Neighbourhood Plan Steering Group

Prepared by:

AECOM Infrastructure & Environment UK Limited
Aldgate Tower
2 Leman Street
London E1 8FA
United Kingdom
aecom.com

Table of Contents

List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HMA	Housing Market Area
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LA	Local Authority
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
LPC	Lambourn Parish Council
LSOA	Lower Layer Super Output Area
MSOA	Middle Layer Super Output Area
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OA	Output Area
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1.1 Lambourn is a Neighbourhood Area (NA) located in the unity authority area of West Berkshire. The NA boundary covers the areas administered by Lambourn Parish Council.

1.2 The 2021 Census recorded 4,222 individuals in Lambourn, indicating an increase of 119 people since the 2011 Census.

1.3 There has been some development in Lambourn in recent years. West Berkshire Council has provided data showing that 80 new homes have been built since 2011. None of these homes were delivered as Affordable Housing. The current total number of dwellings in the NA is therefore estimated to be 1,990, based on 1,910 dwellings recorded in the 2011 Census plus 80 completions since 2011. No data on outstanding commitments (dwellings on sites with planning permission) has been received from West Berkshire Council.

1.4 This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Steering Group at the outset of the research.

1.5 Findings relating to workers in the horse racing industry are noted where relevant throughout this study. In summary, it is worth emphasising that this group form a notable proportion of Lambourn residents and perform an essential economic function. Yet they face unique challenges in relation to housing. Affordability is a particular area of concern, with racing workers tending to have lower incomes than wider averages and, in some cases, more precarious employment status. This makes both affording market housing and accessing subsidised accommodation difficult, meaning that many workers must rely on trainer-provided accommodation, shared housing and hostels.

1.6 The age profile of racing workers is much younger than the wider population, which can exaggerate affordability challenges due to a lack of savings or housing equity. This group would benefit from expanded accommodation provision reserved specifically for them and targeted at genuinely affordable price points. The wider delivery of smaller mainstream housing and a more diverse range of tenure options, including affordable housing and private renting, would provide further assistance.

Conclusions- Tenure and Affordability

Current tenure profile

1.7 Lambourn's current tenure profile is formed predominantly of homeowners, making up around 60% of households, followed by private and social renters, accounting for approximately 20% of households each. The proportion of social renters is higher than within the wider local authority area and England as a whole.

1.8 Among horseracing industry workers, home ownership and social renting are substantially less common than for Lambourn households in general, while the proportion of private renting is correspondingly higher (whether from a landlord or employer, or in shared housing). It may be that the transient nature of the work prevents otherwise eligible households from meeting the local residency requirements for joining the Affordable Housing waiting list, and that together with lower incomes, the transient nature of the work also makes it equally less likely that industry workers tend to buy their own home.

1.9 Over the intercensal period, private renting among the wider Lambourn population has increased significantly in its popularity, while social renting has declined. The proportion of households living in shared ownership and owner occupation have remained largely unchanged.

Affordability

1.10 Between 2013 and 2022 average house prices in Lambourn rose by a significant 93%. The housing type for which prices increased most were flats, although overall they remained the cheapest type of housing.

1.11 The average total annual household income was £50,700 in Lambourn in 2020 (the most recent year for this data), while the gross lower quartile income for a single earner was £19,459 or £38,918 for dual income households across West Berkshire (this data is not available for smaller areas).

1.12 Comparing these local income levels with the cost of different tenures indicates that affordability in the area is not very positive, particularly for those on lower quartile incomes. Households with average incomes cannot afford to buy or rent in the private market locally, except for entry level market rents. Affordable housing products which are affordable on average incomes include first homes at a 50% discount, shared ownership at a 10-25% share, affordable rent, and social rent. Households on two lower quartile incomes cannot afford any of the tenures locally, with the exception of shared ownership at 10%, affordable rent and social rent. Those on single lower quartile incomes cannot even afford social rent without recourse to benefits. Affordable housing needs appear to be high and rising.

1.13 Affordability with reference to incomes among racing industry workers is even worse. It is evident that only couples on median incomes for the industry are able to afford any of the housing tenures in Lambourn considered here, and they are only able to afford affordable rented accommodation. Singles and lower quartile couples cannot even afford this tenure without additional subsidy. This is a stark picture of the affordability challenges for those working in the racing industry in Lambourn and in combination with the evidence above, justifies greater provision of the least expensive forms of Affordable Housing to serve their needs. Note that these findings differ from those arrived at in the Cambridge study, which used different metrics for the cost of different tenures, and assumed that 35% rather than 30% (as here) of a household’s income could reasonably be reserved for housing costs.

The need for Affordable Housing

1.14 In terms of the quantity of Affordable Housing, a combination of AECOM calculations and a pro-rating of the most recent figures from the HNA Update for West Berkshire in 2022 suggest a range of potential demand for Affordable Housing. The estimated need for affordable rented housing is for an additional 6-8.6 units per annum or 90-129 units over the plan period (compared to current levels of occupied provision). The estimated need for affordable home ownership is 9.6-15.2 units per annum or 144-228 units over the Neighbourhood Plan period.

1.15 While the estimated need for affordable home ownership is greater, there are clear and significant affordability challenges for those on average incomes and below in Lambourn, including those working in the horse racing industry. Therefore, meeting the more urgent need for social or affordable rent should be prioritized, particularly considering the lack of Affordable Housing delivery in recent years.

1.16 Taking these affordability and supply concerns into account, along with local and national planning policy, the guideline tenure split within Affordable Housing for Lambourn is proposed to be 70% Affordable Housing for rent and 30% Affordable Housing for sale (split between 25% First Homes and 5% Shared Ownership).

1.17 With regard to shared ownership and the racing industry it is also worth noting that only 6% of respondents in the industry would favour shared ownership over other tenures. That said, 66% stated that they would like to buy their own home, and shared ownership or similar products, such as First Homes, are found here to potentially be the most appropriate route to eventual home ownership. Given that the vast majority of respondents had under £10,000 in savings to put toward a deposit on a mortgage, shared ownership may offer the best opportunity, within that budget restriction, to do so.

Conclusions- Type and Size

The current housing mix

1.18 With regard to the current dwelling type mix, Lambourn is currently characterised by a high proportion of detached homes, which make up over a third of the total stock. In this, and many other respects, Lambourn's housing stock resembles West Berkshire as a whole, although the predominance of detached dwellings, compared to other housing types is even more pronounced in Lambourn. Bungalows are also more common than across the wider Unitary Authority area.

1.19 It is also worth noting that 13.6% of horseracing industry workers living in or near to Lambourn resided in a caravan or other mobile or temporary structure (according to the, now slightly dated, survey cited in the Cambridge report). This compares with a rate of just 1% of the wider Lambourn population (which presumably includes some of the same residents) and – together with higher rates of living in flats and shared accommodation among this group – may indicate the relative unsuitability of the housing offer available to racing industry employees.

1.20 Housing in Lambourn tends to be medium sized dwellings with 2-4 bedrooms. Over the intercensal period there has been a marginal increase in households living in 4-bedroom dwellings and a slight decrease in 3 bedroom dwellings, although this reflects a small sample size of new completions and some housing extensions having taken place.

1.21 SQR Research discusses developments of specialist housing for horse racing industry workers in Lambourn, identifying one larger development of 12 x 2 bedroom and 6 x 3 bedroom homes by Lambourn Valley Housing Trust, various accommodation built by local trainers for their own employees, and housing maintained by an Almshouse Charity, half of which is occupied by current or former racing industry workers.

Population characteristics

1.22 Lambourn's current demographic profile is roughly in line with that of the Unitary Authority area and country as a whole. The greatest share of the population is composed of the 45-64 age group (almost a third), followed by the 25-44 age group and the 65-84 age group (each just under a quarter). Between the 2011 and 2021 censuses there has been a significant increase in the number of those in the two oldest age groups, aged 85+ and 65+ in Lambourn, with a negligible increase or actual percentage decline in all other age groups.

1.23 It is worth comparing this snapshot with data relating to horseracing industry workers. The relative youth of those involved in the sector is clear. It is also the case that if the older population in Lambourn predominates and is projected to expand further, this will drive the overall need for new housing. While older and younger households do overlap to some degree in their needs, affordability between the generations can vary significantly. Particular consideration may therefore continue to be needed to ensure racing industry workers are appropriately catered for.

1.24 At present, the NA tends to be dominated by couple and family households (63.3%), but with a significant proportion of one person households (30%), which is slightly greater than for the Unitary Authority area as a whole (27%). There is also a marginally greater proportion of other households (such as HMOs) at 6.4% than are present across the wider Unitary Authority area (5.1%). This may have a relationship with accommodation for local racing industry employees. Over the intercensal period, older couples' households have experienced significant growth of 71%.

1.25 Analysis of over-and under-occupation in Lambourn shows that around 74% of households have at least one more bedroom than they would be expected to need, and 50% have two more. This is particularly the case for couples over 65 and families without children. There are very few households with too few bedrooms, and they are exclusively those with dependent or adult children.

Future population and size needs

1.26 Household projections reveal that households aged 65+ are expected to increase by 83% by the end of the Plan Period. All other age groups are set to contract significantly (by 12-19%), with the exception of a marginal increase of 3% in those aged 55-64.

1.27 Combining these household projections with dwelling size patterns gives an indication of what size of new dwellings might be needed by the end of the Plan Period. The resultant split recommends 6% 1-beds, 64% 3-beds, and 29.6% 4 or more beds, with no additional 2 bedroom dwellings needed. It is noted that this particular split places less emphasis on smaller homes than other evidence about the needs of, for instance, racing industry employees, those on lower incomes and people on the waiting list for Affordable Housing. Given this, it is important to emphasize the fact that the model used is limited, and can be used in combination with other data sources and applied with a large degree of flexibility.

1.28 In comparison to our own dwelling size split, the West Berkshire HNA Update puts forward a split more heavily weighted towards 2-bed homes, but also with a significant emphasis on 3 bedroom homes. This could be used to develop a final target size mix seeking closer to 30% 1-2 bedroom homes, 50% 3 bedroom homes, and 20% 4+ bedroom homes.

1.29 It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

Conclusions- Specialist Housing for Older People

Characteristics of the current older population

1.30 There are currently estimated to be around 450 individuals aged 75 or over in Lambourn, representing 11% of the population. There are three schemes of specialist accommodation in the NA at present, according to the Elderly Accommodation Counsel search tool. These offer a total of 68 accommodation units, all of which are sheltered (rather than offering extra care) and the vast majority of which are socially rented rather than in private ownership.

1.31 A clear majority (79%) of West Berkshire households aged 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2039) are owner occupiers, and the remainder predominantly rent from a social landlord. This is important because those currently owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent will need to rely on subsidised rented housing because they are unlikely to have the funds to buy. Rates of disability in Lambourn are also higher among social tenants than owner-occupiers.

Projected demographic change and need for specialist housing

1.32 The 75+ population of the NA is projected to increase to 726 people over the Neighbourhood Plan period, rising from 11% of the population in 2021 to become 18% of the population in 2039. As established in the previous chapter, Lambourn has an older population than the wider Unitary Authority and is likely to age faster in the coming years unless new development attracts a replacement population of younger families.

1.33 The growth in the existing older population, which, rather than the total, is the focus of the estimates of need here, should be converted into households because some older people will be cohabiting in old age. The projected household growth to 2039 among those aged 75+ in Lambourn is 198.

1.34 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 the results of the 2023 West Berkshire Housing Needs Assessment Update.

1.35 The two Lambourn specific estimates suggest a range of 70 to 80 specialist accommodation units might be required during the Plan period. When prorating the West Berkshire figures, the need attributable to Lambourn is lower at 30 units, although this is considered less representative of the local population profile.

1.36 The HNA estimates are also broken down by tenure and level of support required. Broadly, 60-75% of the need is for accommodation offered for market purchase. This chimes with the higher propensity of older households to be homeowners. Around 50-70% of the need is found to be for sheltered housing with limited support rather than additional care arrangements. The potential need for care and nursing home beds in Lambourn to 2039 can be roughly estimated at 13 bedspaces.

1.37 Although there is an opportunity to build specialist housing development in Lambourn itself for people who do not want to leave their immediate surroundings and social networks when their housing needs change in old age, it may not be considered prudent to prioritise the potential demand from older people to the exclusion of other groups, such as those in need of Affordable Housing, young families, and others important to maintaining a balanced and vibrant community. The HNA evidence can be used to support specialist housing development but does not make that obligatory. How far to promote this is a choice for the Steering Group and wider community.

Accessibility and adaptability

1.38 Depending on whether there is likely to be additional specialist supply during the Plan period, an alternative or additional avenue to the provision of additional specialist homes is to discuss the standards of accessibility and adaptability required of new development with West Berkshire Council. The emerging Local Plan Review proposes ambitious requirements that appear justified in Lambourn and would require no further policy action in the Neighbourhood Plan. However, if the emerging Local Plan Review does not proceed, there may be value in filling this policy gap in the adopted Core Strategy.

2. Context

Local context

2.1 Lambourn is a Neighbourhood Area (NA) located in the unitary authority area of West Berkshire in the county of Berkshire. West Berkshire Council is the local planning authority. The NA boundary is synonymous with the parish boundary of Lambourn and was designated in December 2018. The NA and parish boundary comprises the villages of Lambourn, Upper Lambourn, Eastbury, Woodlands St Mary and Lambourn Woodlands as well as a number of smaller hamlets.

2.2 The Neighbourhood Plan is envisaged to start in 2024 and extend to 2039, therefore covering a period of 15 years. The evidence supplied in this report will look forward to the Plan end date of 2039, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.

2.3 The NA is located in the West of the local authority area and borders Oxfordshire to the North and Wiltshire to the West. The Lambourn Downs, to the North of the NA, form part of the North Wessex Downs National Landscape (renamed in late 2023 from Area of Outstanding Natural Beauty or AONB).

2.4 With regards to transport, Lambourn lies on a crossroad between the B4000 from Newbury to Highworth and the B4001 from Chilton Foliat to Childrey. The nearest train station is Hungerford, operated by Great Western Railway.

2.5 The NA operates as a Rural Service Centre, providing amenities such as shops, schools, and doctors surgeries to the surrounding local community. It is also considered a public transport “hub” for buses between the nearby towns of Newbury and Swindon.

2.6 Lambourn is perhaps best known as being the second largest racehorse training centre in the UK, providing significant employment to the area. According to research conducted in 2018 by SQW, 34 trainers employ 529.5 full time equivalent (FTE) staff caring for and exercising 1,547 horses. In the 2011 Census, 610 of the total 4,103 NA residents were employed in the horse racing industry (14.9%).

2.7 A survey of the housing needs of racing staff in Lambourn conducted by the Steering Group in early 2024 was able to reach a robust proportion of current industry workers, with 173 respondents. Findings its detailed points will be referenced throughout this report, but it should be emphasised here that the survey’s results bear out the widespread opinion (shared by 80% of respondents) that it has become increasingly challenging over time for racing workers to find suitable accommodation in and around Lambourn. It is also relevant to note that nearly 15% of respondents live more than 2 miles outside of Lambourn. Though this may primarily indicate on-site accommodation at yards outside of the village, that two-thirds of these workers live more than 10 miles away suggest that some workers may be commuting for reasons related to the difficultly of finding suitable housing within Lambourn.

The NA boundary and key statistics

2.8 For Census purposes, the NA is made up, like the rest of England, of statistical units called Output Areas (OAs). A breakdown of the OAs relevant to Lambourn is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Lambourn Neighbourhood Area

© Crown copyright and database rights 2018. West Berkshire District Council 0100024151.

Source: West Berkshire Council Website [1]

[1] Available at Lambourn Neighbourhood Area Designation Notice (westberks.gov.uk)

2.9 At the time of the 2011 Census the NA was home to 4,103 residents, formed into 1,783 households and occupying 1,910 dwellings. The 2021 Census indicates population growth of around 119 individuals (or 2.9%) since 2011[2], recording a total of 4,222 residents and 1,876 households. The average household size fell from 2.30 to 2.25.

2.10 There has been some development in Lambourn in recent years. West Berkshire Council has provided data showing that 80 new homes have been built since 2011. The current total number of dwellings in the NA is therefore estimated to be 1,990, based on 1,910 dwellings recorded in the 2011 Census plus 80 completions since 2011. None of these additional homes were delivered as Affordable Housing. Two of these recent developments were of a size above the Affordable Housing threshold but one was granted permission prior to adoption of the relevant requirement, and another was permitted with a financial contribution for offsite provision of 1 unit.

2.11 When comparing these estimated 80 additional dwellings with the increase of 93 households between the 2011 and 2021 Census, this appears to be roughly similar, but representing a slight reduction in the previous difference between dwellings and households (from 127 to 114). This may indicate a marginal reduction in empty or second homes in Lambourn.

2.12 No data on outstanding commitments (dwellings on sites with planning permission) has been received from West Berkshire Council for this HNA. As of January 2024, the West Berkshire planning applications search webpage[3] shows outstanding (undecided) applications for 5 dwellings (Land North of Newbury Road, Ref. Nos: 22/00277/FULMAJ),[4] as well as a number of undecided single dwelling applications. There are also permissions for 11 dwellings on an extension to an almshouse scheme (8 Chapel Lane, Ref. No: 21/01530/FULMAJ) and a small number of permissions for one or two net additional dwellings each, appearing to not yet be built out, based on satellite mapping.

The housing market area context

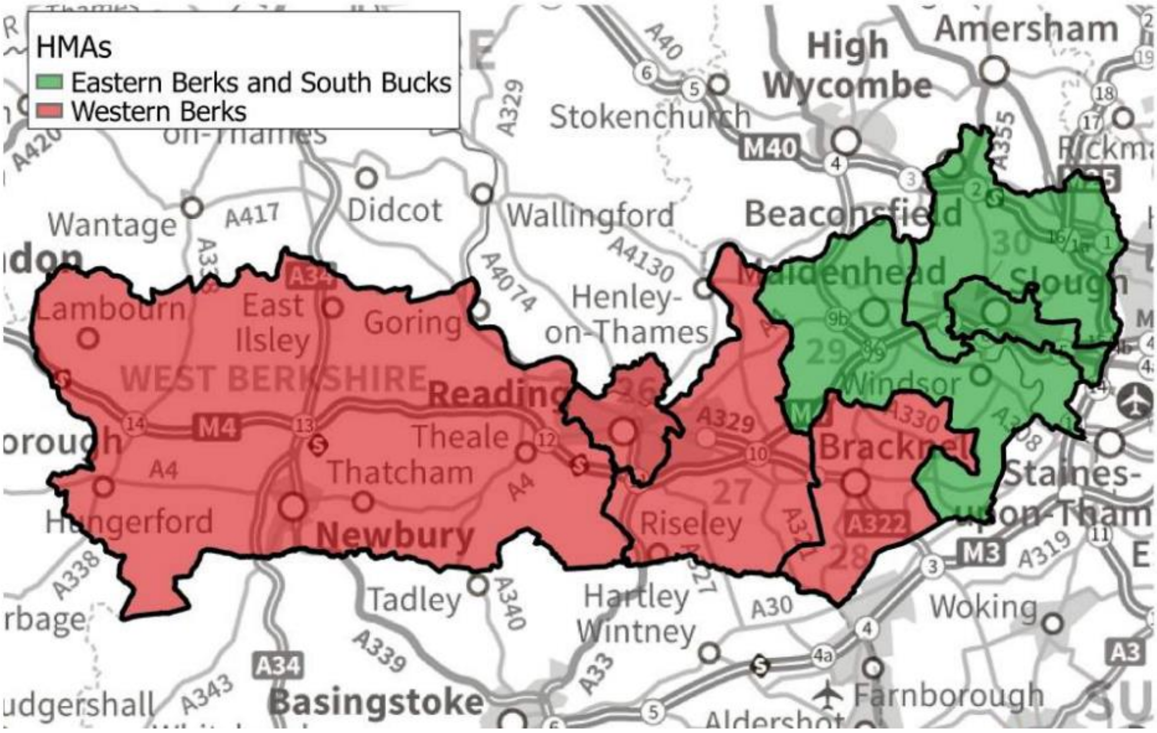
2.9 Whilst this Housing Needs Assessment (HNA) focuses on Lambourn NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.

2.10 In the case of Lambourn, the NA sits within the Western Berkshire Housing Market Area which covers Wokingham, Reading, and Bracknell Forest[5], and within this,

[2] It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.
[3] Available at Search Results (westberks.gov.uk)
[4] This is the same site as that with the reference number 20/00972/FULMAJ (for 8 dwellings). It is assumed the newer planning application supersedes this.
[5] See the West Berkshire Updated Housing Needs Assessment and Strategic Housing Market Assessment, both available at Local Plan Review Evidence Base - West Berkshire Council

Lambourn is located in the "North Wessex Downs AONB" Sub-area geography. This means that when households who live in this market area move home, the vast majority move within this geography, and that the sub-area has distinct housing market characteristics. However, the Housing Market Area and sub-area also has links to other neighbouring sub-areas, as well as wider Housing Market Areas, including the Eastern Berkshire and South Bucks Housing Market Area to the west, which includes Reading and the considerable residential growth associated with Swindon's Eastern Villages scheme, the Oxfordshire Housing Market Area, the South West Hertfordshire Housing Market Area, and the Greater London Housing Market Area.

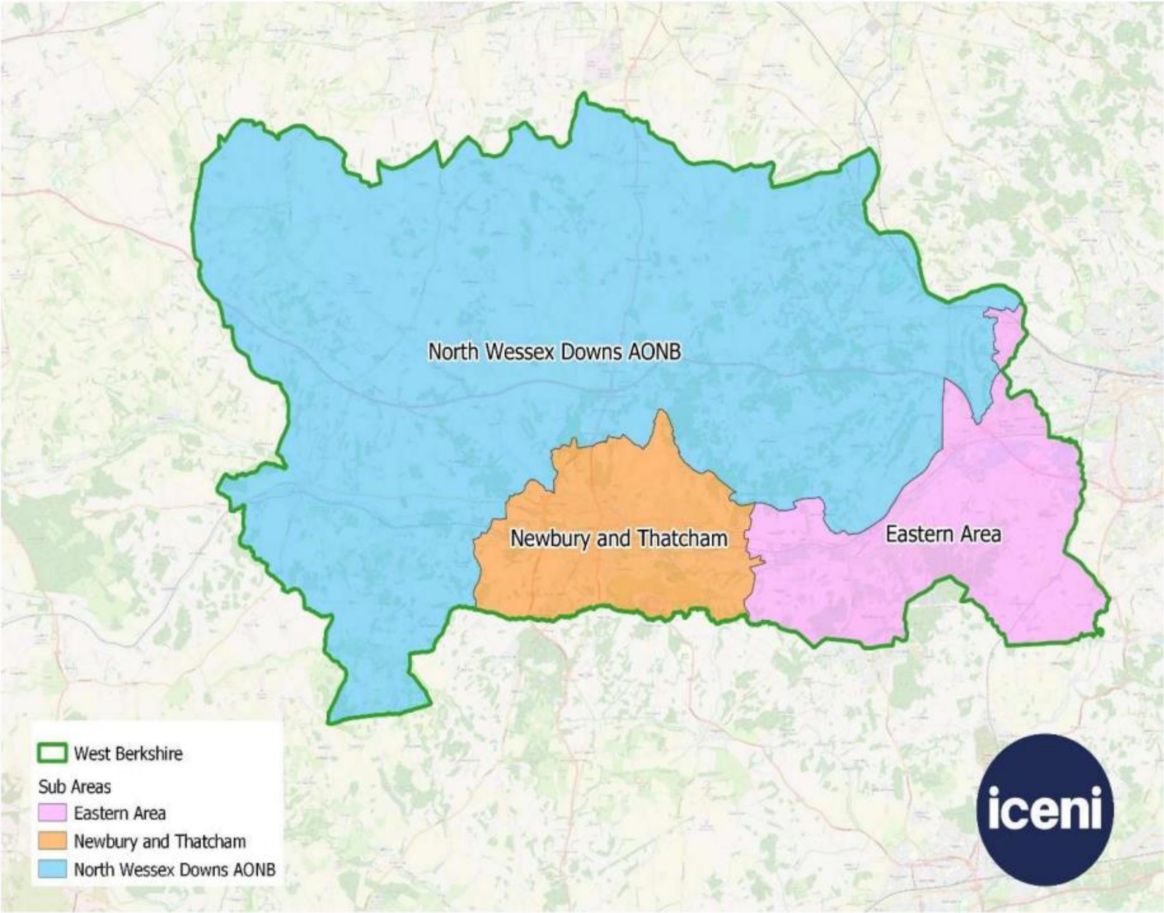
Figure 2-2: Local Housing Market Areas



Source: Berkshire Strategic Housing Market Assessment February 2016 Final Report[6]

[6] Available at Berks_SHMA_Feb_2016.pdf (westberks.gov.uk)

Figure 2-3: Local Housing Market Sub-Area Geographies



Source: West Berkshire Housing Needs Assessment Update 2022[7]

2.11 At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Lambourn, are closely linked to other areas. In the case of Lambourn, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. The sub-area in which Lambourn is placed is more rural and constrained than the neighbouring Newbury and Thatcham and Eastern sub-areas.

2.12 Thus, the emerging Local Plan Review considers development in the sub-area beyond 2026 to be limited and largely met by existing undeveloped site allocations. The more urban Newbury and Thatcham sub-area on the other hand is designated as the focus for future development in both the current and emerging Local Plan Review and is thus likely to accommodate some of the need generated in NA and the wider AONB sub-area. Nearby Reading and London, and the housing demand generated by employment opportunities there, also cause impacts across Berkshire, although West Berkshire is more remote and less affected by this than East Berkshire.

2.13 In summary, Lambourn functions within a wider strategic housing market area and sub-area. As well as fostering good working relationships with the local planning

[7] Available at Microsoft Word - 220718_West Berks Update_Final Report

authority West Berkshire Council, it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing polices to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

2.14 Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.[8] In the case of West Berkshire, the relevant adopted Local Plan consists of the West Berkshire Core Strategy[9], which was adopted in July 2012 and covers a plan period of 2006 to 2026. It provides the policy framework and is supplemented by policies contained in other documents, including the Housing Site Allocations Development Plan Document (May 2017), and policies saved from the West Berkshire District Local Plan 1991-2006 set out in the Saved Policies 2007 document (May 2017).

2.15 The latest version of the emerging Local Plan for West Berkshire is the proposed submission West Berkshire Local Plan Review 2022-2039 (January 2023)[10]. This was submitted to the Secretary of State on 31 March 2023, and is being independently examined at the time of writing.

2.16 Note that West Berkshire Council previously announced its intention to withdraw the Plan due to a change in administration. However, subsequent to intervention by the Secretary of State, the Council has announced its decision to continue progressing the Plan through Examination as directed.

2.17 A detailed breakdown of the adopted and emerging Local Plan policies relevant to housing need is provided in Appendix B.

2.18 Here, it is worth summarising the most important points of the emerging Local Plan:

- Emerging Local Plan Policy SP12 identifies an overall housing target of 513-538 net additional homes per year for West Berkshire (not intended as a cap or ceiling);
- In Policy SP3, Lambourn is designated as a Rural Service Centre, which offers development potential appropriate to settlement character and function through:

  e. Infill or changes of use within the settlement boundary;

  f. Non-strategic sites allocated for housing and economic development through other policies in the LPR or neighbourhood plans; and

  g. Rural exceptions Affordable Housing schemes

[8] 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
[9] Available at Current Development Plan for West Berkshire - West Berkshire Council
[10] Available at LPR_2022-2039_Proposed_Submission_for_consultation_20_Jan_2023_for_web.pdf (westberks.gov.uk)

- Relevant allocations include Policy RSA14 on land adjoining Lynch Lane, Lambourn (Site Ref: HSA 19) for 60 dwellings at low density, which specifies that the development should ensure a mix and type of dwellings appropriate for the local area, taking into account the needs of the horse racing industry which has a specific need for affordable single person accommodation; and Policy RSA15 allocating Land at Newbury Road, Lambourn (Site Ref: HSA 20) for the provision of approx. 5 dwellings at low density.
- Policy SP15 states that the Lambourn Designated Neighbourhood Area is allocated 25 residential units (this is in addition to existing allocations).
- Policy SP19 states that 30% of all new dwellings are expected to be delivered as Affordable Housing on sites of 10 homes or more on previously developed land and 40% on greenfield land. On development sites of between five and nine dwellings, 20% provision is required. The suggested tenure mix within Affordable Housing is 25% First Homes, 70% social rented, and 5% shared ownership, with social rent as the priority.
- Policy SP18 sets out an expectation that all new homes will be built to Category M4(2) accessibility standards. Around 10% of the new market housing and a maximum of 5 units of the affordable sector should also meet M4(3) wheelchair user standards unless evidence clearly demonstrates that this would make the scheme unviable.
- Concerning accommodation related to the local horse racing industry, Policy DM23 states that new dwellings in the countryside related to, and located at or near, a rural business will be supported where a set of criteria in the policy are satisfied.

Quantity of housing to provide

2.19 The NPPF December 2023 version (paragraphs 67 and 68) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

2.20 West Berkshire has fulfilled that requirement by providing Lambourn with a definitive figure of 25 dwellings to be accommodated within the NA by the end of the Plan period, in addition to Local Plan allocations, through the emerging Local Plan Review.

3. Objectives and approach

Objectives

3.1 This HNA is structured according to a number of themes or topics that were agreed at the outset of the research with the Lambourn Neighbourhood Plan Steering Group. These themes are broadly aligned with the kinds of housing policy areas available to neighbourhood plans, and each will form a distinct chapter of this report. The sub-sections below give a brief overview of the objectives of each chapter.

Affordability and Affordable Housing

3.2 Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

3.3 This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

3.4 The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must be in general conformity with these strategic policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

Type and Size

3.5 It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.

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

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

3.7 In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

Specialist Housing for Older People

3.8 It may be appropriate for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons. Residents being able to downsize and remain in Lambourn is a local matter of concern according to the Steering Group.

3.9 This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

3.10 This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

The Horse Racing Industry

3.11 In addition to the above topics which are covered in their own specific chapters, this HNA also sets out to understand the specific housing needs of those working in the horse racing industry, as requested by the Steering Group. This is not the subject of a separate Chapter, but rather woven into the report throughout, where appropriate.

3.12 As already established, Lambourn has a reputation as being one of the largest horse racing training centres in the country. Due to this, it attracts a large number of workers, the majority of whom desire to live locally. In recent years a number of reports and surveys have been commissioned (see 'Approach' section below), which highlight the issues surrounding housing need for this Group.

3.13 One of the largest issues is the relative unaffordability of house prices in comparison to racing industry wages. Lambourn is set in an attractive area of countryside, in the sought after housing market area of West Berkshire. Incomes for those working in the horse racing industry tend to be lower than average. This imbalance leads to significant affordability issues and results in people seeking alternative housing arrangements elsewhere. The lack of suitably priced housing is also an issue cited by racing industry employers, which implies that the sector as a whole can be considered under threat due to inadequate housing supply.

3.14 Another potential issue is the self-described 'anti-social' nature of the job. The pattern of work associated with horse racing (i.e. shift work, 5.5 day weeks, early starts and race-day hours) can make it difficult for workers to fit in with the local community, leading to a potential divide between horse racing industry workers and other local residents.

3.15 A further issue is the transient nature of those working in the racing industry, particularly younger people. If an appropriate selection of tenures is not available to this Group (i.e. rented and social housing), finding somewhere to live locally can be challenging.

Approach

3.16 This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:

- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Rightmove;
- Local Authority housing waiting list data;
- The Berkshire Strategic Housing Market Assessment February 2016 Final Report;
- The 2023 West Berkshire Housing Needs Assessment Update; and
- Research studies relating to the racing industry, which provide a combination of generalised data for the industry (or regional industry) as a whole, as well as Lambourn-specific findings:
  - Horse Racing in Lambourn Valley: The Industry's Economic and Social Impacts (SQW, 2019);
  - Identifying housing need in the horse racing industry (Cambridge Centre for Housing and Planning Research, 2016, henceforth referred to as the Cambridge Study);
  - The 2024 Housing Needs Survey for Racing Staff in Lambourn, conducted by or in partnership with the Steering Group.
- Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well

as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.

4. Affordability and Affordable Housing

Introduction

4.1 Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

4.2 This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

4.3 The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must conform with these policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

4.4 This chapter also briefly examines some relevant evidence in relation to affordability and tenure, specifically relevant to horseracing industry workers.

Definitions

4.5 This section uses a range of technical terms which are useful to define at the outset:

- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidized products like social rent and shared ownership).
- **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
- The definition of **Affordable Housing** is set out in the NPPF 2023 (Annex 2 Glossary) as 'Housing for sale or rent, for those whose needs are not met by the market…' We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
- A range of affordable home ownership opportunities are included in the Government's definition of Affordable Housing, to meet the needs of those

aspiring to own a home. As part of this, the Government has introduced a new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.[11]

- **First Homes** is a new product and expected to be an important part of the strategy for improving access to home ownership. Its key features are explained in greater detail in Appendix C.

Current tenure profile

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

4.7 Table 4-1 presents data on tenure in Lambourn compared with West Berkshire and England as a whole from the 2021 Census.

4.8 The majority of households in Lambourn are owner occupiers (58.3%), followed by private renters (21.3%) and social renters (19.9%). This contrasts somewhat with the Unitary Authority area, which has a greater proportion of home owners (67.6%) and correspondingly lower proportions of social and private renters (14% to 17.2% respectively). Proportions at a national level sit between trends seen at West Berkshire and Lambourn level. Notice that Shared Ownership, as a form of tenure, only represents around 0.5% of households in Lambourn, and around 1% at Unitary Authority and national level. This is due to its more recent introduction.

Table 4-1: Tenure (households) in Lambourn, 2021

Tenure	Lambourn	West Berkshire	England
Owned	58.3%	67.6%	61.3%
Shared ownership	0.5%	1.3%	1.0%
Social rented	19.9%	14.0%	17.1%
Private rented	21.3%	17.2%	20.6%

Sources: Census 2021, AECOM Calculations

4.9 It is also worth comparing how the Lambourn tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). Between the 2011 and 2021 Censuses, the proportion of owner occupation and shared ownership in Lambourn has remained roughly the same, but the size of the social rented sector has marginally decreased, while the proportionate size of the private rental sector has increased significantly, by over 50%. This pattern is not uncommon during this time period as fewer affordable units are built and private renting is becoming more prevalent. However, this trend,

[11] 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.

while similar across wider west Berkshire and nationally, appears more extreme within the smaller data sample of Lambourn.

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

Tenure	2011	2021	% Change
Owned	1,036	1,094	5.6%
Shared ownership	10	9	-10.0%
Social rented	390	374	-4.1%
Private rented	261	399	52.9%

Sources: Census 2021 and 2011, AECOM Calculations

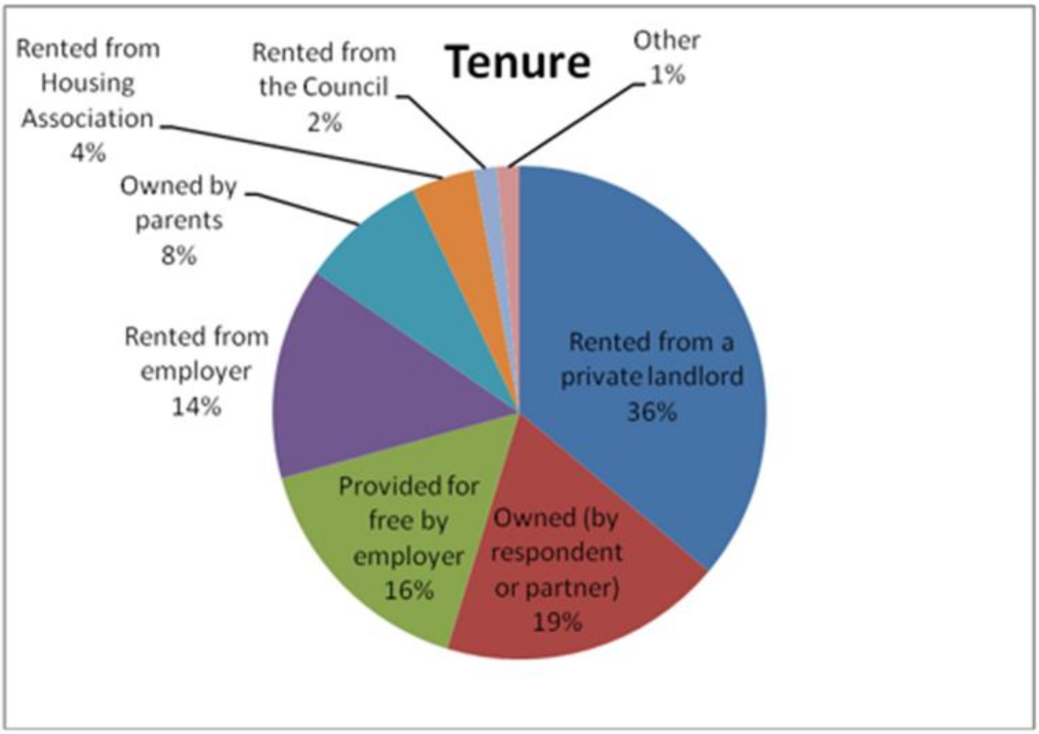
4.10 It is also useful to compare the tenure mix for the overall Lambourn population with that of horseracing industry workers specifically.

4.11 The 2024 survey of local racing industry workers found that only 13% of this group are owner occupiers, compared to 58% in the wider population. A slightly higher share than the wider population (29%) rent privately, and a combined 44% live in accommodation offered as part of their employment or through an associated housing trust.

4.12 Although only 3% of racing industry workers are social renters, 29% of them live in shared accommodation and a further 7% live in hostel accommodation. These people likely sit within the private rented category within the census data presented below, and are may be on low incomes that prevent them from accessing permanent independent accommodation. This suggests a notable challenge of affordability for workers in the industry as well as a lack of suitably affordable or located accommodation to meet their needs. There may also be a number of such workers who may otherwise need to live (or benefit from living) in social rented accommodation, but may not be eligible due to their employment status or the relative strength of their local connection based on their current address and length of employment.

4.13 These findings broadly echoes data for workers across the wider region, presented in Figure 4-1 below.

Figure 4-1: Tenure among horseracing industry workers, regional



Source: Cambridge Centre for Housing and Planning Research, 2016, Figure 3

Affordability

House prices

4.14 House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type, and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.

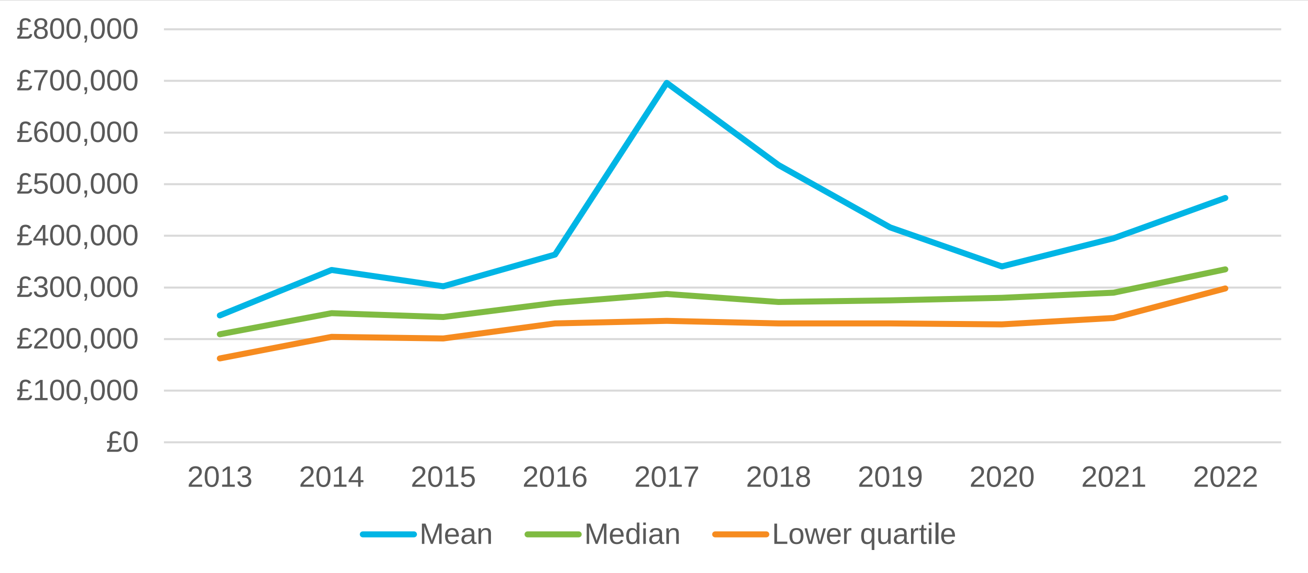
4.15 Figure 4-2 below looks at the average and lower quartile house prices in Lambourn based on sales price data published by the Land Registry. This shows that between 2013 and 2017 mean house prices in the NA (the average, where the sum of all house price values is divided by the total number of sales) rose, first more steadily, then displaying an unusual peak in 2017, before falling sharply back to previous levels by 2020, before rising again.

4.16 The overall mean price increase was a significant 93%, from £245,724 to £473,324 between 2013 and 2022. The unusual spike in 2017 was an average of £696,178. However, it is worth noting that this was significantly skewed by a handful of very high value sales of £5 million and over, taking place in 2017 and 2018, within a sample of 146 sales over these two years.

4.17 During the same time period, a more steady and less sharp increase could be observed in the median and lower quartile averages. The median house price is the middle number when the data is sorted from smallest to largest, and the lower quartile house price is the middle figure of the lowest 50% of prices and a good representation of entry-level housing. Overall, median prices rose by 60% and lower quartile prices by 83%.

4.18 The median house price for West Berkshire as a whole in 2022 was £383,800, marginally greater than £335,000 in Lambourn in the same year. The lower quartile house price across the local authority (£292,000) was very marginally lower than that identified for the NA (£298,000). This may be due to the NA being comprised of a number of smaller more rural settlements compared to some other areas in West Berkshire, likely to have a less diverse and dense housing mix than itslarger settlements.

Figure 4-2: House prices by quartile in Lambourn, 2013-2022



Source: Land Registry PPD

4.19 Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that between 2013 and 2022 the greatest increase was observed in the price of flats, at 81.8%, although overall they remained the cheapest type of housing. The category for which prices grew least quickly were semi-detached houses, at 35.6%. Average prices for detached and terraced houses both grew between 57-67%.

4.20 There is also some minor year-on-year fluctuation in house prices within each of the types, likely due to the annual average by type being derived from a smaller sample size within each category. This means that variation in characteristics outside of type, such as the size, location, and condition of dwelling, can have a greater impact on the average.

Table 4-3: Median house prices by type in Lambourn, 2013-2022

Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Growth
Detached	£325,000	£400,000	£383,650	£417,500	£422,500	£475,000	£487,500	£465,000	£537,500	£542,500	66.9%
Semi-detached	£236,000	£247,250	£221,000	£267,500	£286,000	£272,500	£275,000	£295,000	£289,950	£320,000	35.6%
Terraced	£185,000	£197,500	£203,500	£233,000	£240,000	£231,500	£230,000	£232,000	£265,000	£290,000	56.8%
Flats	£110,000	£164,500	£143,475	£127,500	£169,375	£165,250	£132,500	£117,500	£170,000	£200,000	81.8%
All Types	**£209,250**	**£250,000**	**£242,500**	**£270,000**	**£287,000**	**£271,500**	**£275,000**	**£280,000**	**£289,975**	**£335,000**	60.1%

Source: Land Registry PPD

Income

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

4.22 The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £50,700 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.

4.23 The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. West Berkshire's gross individual lower quartile annual earnings were £19,459 in 2022. To estimate the income of households with two lower quartile earners, this figure is doubled to £38,918.

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

Affordability Thresholds

4.25 To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.

4.26 AECOM has determined thresholds for the income required in Lambourn to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.

4.27 The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.

4.28 Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average household incomes? (£50,700)	Affordable on LQ earnings (single earner)? (£19,459)	Affordable on LQ earnings (2 earners)? (£38,918)
Market Housing						
Median House Price	£302,530	-	**£86,143**	No	No	No
Estimated NA New Build Entry-Level House Price			**£86,437**	No	No	No
LQ/Entry-level House Price	£268,200	-	**£76,629**	No	No	No
LA New Build Median House Price	£405,000	-	**£115,714**	No	No	No
Average Market Rent	-	£15,600	**£52,000**	Marginal	No	No
Entry-level Market Rent	-	£13,800	**£46,000**	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£211,771	-	**£60,506**	No	No	No
First Homes (-40%)	£181,518	-	**£51,862**	Marginal	No	No
First Homes (-50%)	£151,265	-	**£43,219**	Yes	No	No
Shared Ownership (50%)	£157,230	£4,368	**£59,481**	No	No	No
Shared Ownership (25%)	£78,615	£6,551	**£44,299**	Yes	No	No
Shared Ownership (10%)	£31,446	£7,862	**£35,190**	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£7,733	**£25,751**	Yes	No	Yes
Social Rent	-	£6,206	**£20,667**	Yes	Marginal	Yes

Source: AECOM Calculations

4.29 Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give an indication of the costs of various tenures to inform Neighbourhood Plan policy choices. These figures rely on existing data and assumptions, and it is not possible to estimate every possible permutation. The income figures also disguise a large degree of variation. For simplicity the analysis below speaks in terms of tenure products being ‘affordable’ or ‘not affordable’ for different groups, but individual circumstances and the location, condition, and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

Market housing for purchase and rent

4.30 Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income of £86,143 which is 70% higher than the current average of £50,700.

4.31 Private renting is generally only affordable to higher earners. On average incomes, only entry level market rents are affordable. Households made up of one or two lower quartile earners cannot afford any of the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals’ circumstances.

Affordable home ownership

4.32 Because even private renting is relatively unaffordable on average Lambourn incomes, the proportion of households in the NA who may be able to afford to rent privately but cannot afford home ownership is smaller than in some other locations. These households are typically earning between around £46,000 per year (at which point entry-level rents become affordable) and £77,000 (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. However, this cohort is limited to those with approximately average or slightly higher incomes.

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

4.34 This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. None of these discount levels are affordable in Lambourn, except the 50% discount, and even then, only to households with incomes of £43,219 or more, which is not far below average household incomes.

4.35 It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment.

4.36 If the Steering Group intend to set a higher First Homes discount level than that set at West Berkshire level, further discussions with the LPA are advised. Note that the currently emerging Local Plan for West Berkshire states that First Homes must be sold at a discounted price of no more than 70% of the market value of the property and at first sale must not cost more than £250,000, after the discount has been applied. This implies that West Berkshire Council appears to be open to higher level discounts, which the Steering Group may wish to discuss with the local authority.

4.37 Shared ownership, particularly for a 25% share or lower, appears to be marginally more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.[12] If this is delivered in the NA, it will make shared ownership easier to access for more people, and extends affordability to those on two lower quartile incomes. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

4.38 Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set, and even if Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership only to those on average incomes. Discounts on *average* rents would not provide affordable to the majority of Lindsell residents, as this would require above average incomes, and be less affordable than First Homes at 50% discount and Shared Ownership with a 10-25% share. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

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

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

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

Affordable rented housing

4.40 Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This is the case for the Lambourn Valley Housing Trust, which sets rents at around 70-75% of market rents. In practice, however, affordable rents are often below 80% of market levels. This appears to be the case in Lambourn where average affordable rents amount to 50% of average market rents based on current pricing figures reviewed as part of this HNA. Social rents are cheaper still, and follow the same principle. Note that the widening gap between market rents and social/affordable rents is primarily a function of affordable rents remaining largely stable while market rents increase more sharply, rather than additional discounts on subsidised rental products.

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

4.42 The evidence in this chapter thus suggests that the affordable rented sector performs a vital function in Lambourn as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents (about £5,000 in Lambourn) may be irrelevant, as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Racing industry workers

4.43 When looking at the affordability of different tenures for the income levels among racing industry workers presented in the Cambridge study, which are admittedly now fairly dated, it is evident that only households with two median incomes for the industry (the highest income benchmark in the study, at £26,000) are able to afford any of the housing tenures in Lambourn considered here, namely affordable rented accommodation only. Single and dual lower quartile income households (£11,000 and £19,000 respectively) cannot even afford this tenure without additional subsidy. This is a stark picture of the affordability challenges for those working in the racing industry in Lambourn and justifies prioritising provision of the least expensive forms of Affordable Housing to meet needs and to the local horse racing industry.

4.44 With regards to shared ownership for racing industry workers, it is further worth noting that only 6% of respondents in the industry (according to the, now dated, Cambridge report) would favour shared ownership over other tenures. That said, 66% stated that they would like to buy their own home, and shared ownership or similar products, such as First Homes, are found here to potentially be the most appropriate route to eventual home ownership. Given that the vast majority of respondents had under £10,000 in savings to put toward a deposit on a mortgage, shared ownership may offer the best opportunity, within that budget restriction, to do so.

Estimates of the need for Affordable Housing

4.45 This section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

Evidence in the West Berkshire Updated Housing Needs Assessment

4.46 A Housing Needs Assessment (HNA) Update for West Berkshire was undertaken by Iceni for West Berkshire Council in 2022. This study estimates the need for Affordable Housing in the Unitary Authority area and housing market sub-area geographies based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time.

4.47 The West Berkshire HNA Update identifies the need for 330 additional social and affordable rented homes and 367 affordable home ownership dwellings each year in the Unitary Authority area as a whole. When these West Berkshire figures are pro-rated to Lambourn based on its share of the population (2.62% of the Unitary Authority area's population in the 2021 Census), this equates to 8.65 Affordable Homes per annum for rent and 9.62 homes per annum for sale. This in turn equals 130 affordable rented homes and 144 Affordable Homes for sale needed over the 15-year Neighbourhood Plan period (2024 to 2039) in total.

4.48 These figures do not reflect the potential for sites currently in the pipeline to deliver affordable housing. However, given the small size of the currently known sites, they are unlikely to be able to meet a significant share of identified needs. They are potentially able to meet around the need for around 5-10 affordable homes in total. This is calculated in more detail at the end of the Conclusion to this Chapter.

4.49 Note incidentally that the West Berkshire HNA Update provides separate housing needs estimates for the North Wessex Downs AONB sub-area in which Lambourn is located, but does not provide populations for these sub-areas, thereby making it impossible to pro-rate needs to the NA in a more locally-specific fashion.

4.50 Pro-rating Unitary Authority area level estimates of Affordable Housing need to rural areas can sometimes present problems in practice. Unitary Authority area level figures are ordinarily likely to represent higher needs in urban areas, such as the Newbury and Thatcham sub-area, where there are typically larger social housing stock and larger numbers of households living in private rented homes on housing benefit, and both of these factors tend to generate higher needs. By contrast, in more rural areas, like the North Wessex Downs AONB sub-area in which Lambourn is located, a lack of social housing often means there is no need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This can make it difficult to identify need for affordable rented housing by pro-rating Unitary Authority area need.

4.51 However, in the case of Lambourn, a higher proportion of social and private rented housing in the NA (20% and 21% respectively) than across the Unitary Authority area (14% and 17%) means that this is not the case here.

AECOM Estimates

4.52 The West Berkshire HNA Update provides a relatively recent estimate of need for affordable rented housing, as well as need for affordable home ownership, which can be pro-rated to Lambourn. However, due to the above mentioned facts, it may be that this pro-rated figure underestimates Lambourn Affordable Housing need. Therefore, AECOM has undertaken a comparative estimate, based on local housing waiting list data, to provide a comparison, and a wider estimated range of need.

4.53 Based on the AECOM model, we estimate a comparative need for 6 affordable rented homes per annum in Lambourn, equating to a total of 90 units over the plan period. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5 below. This need is for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents. Therefore, taken together with the pro-rated West Berkshire Affordable Housing for rent need, this results in an estimated range of need for an additional 6-8.6 units of affordable rented housing per annum or 90-129 units over the plan period (compared to current levels of occupied provision).

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

Component of need or supply in the AECOM estimate	Per annum
Current need	7.4
Newly arising need	1.6
Supply	3
Net shortfall	6

Source: AECOM model summary of estimates. Full estimate included in Appendix D

4.54 AECOM further estimate potential demand for 15.2 affordable home ownership dwellings per annum in Lambourn, equating to a total of 228.4 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6 below. Taken together with the pro-rated West Berkshire Affordable Housing for sale need, this results in an estimated range of need for an additional 9.6-15.2 units of Affordable Housing for sale per annum or 144-228 units over the Neighbourhood Plan period.

Table 4-6: Estimate of need for Affordable Housing for sale in Lambourn

Component of need or supply in the AECOM estimate	Per annum
Current need	14.9
Newly arising need	0.75
Supply	0.5
Net shortfall	15.2

Source: AECOM model summary of estimates. Full estimate included in Appendix D

4.55 It is important to keep in mind that the households identified in this second estimate (need for Affordable Housing for sale) 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.

Additional evidence of Affordable Housing needs

4.56 West Berkshire Council has provided AECOM with a current snapshot of the number of existing residents of Lambourn Parish (or those with a local connection or preference) on the local authority's housing waiting list, organised by bedroom need along the columns:

Table 4-7: Local Authority Housing Waiting List for Lambourn Parish

Band	1	2	3	4	Total
A	1	0	4	0	**5**
B	9	10	13	3	**35**
C	16	17	14	1	**48**
D	3	15	5	0	**23**
Total	**29**	**42**	**36**	**4**	**111**

Source: West Berkshire Council

4.57 The Council also stated that only three social / affordable re-lets occurred in 2023 in Lambourn, which is relatively low, considering the 390 households socially renting in Lambourn at present (based on the 2021 Census).

4.58 It is also worth noting here that the 2024 survey of racing industry workers found that a combined 10% of respondents do not consider their housing needs to be met in the long term (i.e. their needs are not currently met or are met only for the next 6 or 12 months). This provides a picture of relatively high housing instability among this group. The provision of more affordable rented housing could theoretically serve some of those on the lowest incomes. However, it is also potentially the case that instability of accommodation is linked to instability of employment or limited term contracts meaning that trainer-provided accommodation lapses when contracts end. For over half of respondents, accommodation is provided as part of the job offer. 25% of respondents have their rent covered by their employer in full, with a further 19% having it covered in part.

Affordable Housing policies in Neighbourhood Plans

4.59 This section outlines a common Neighbourhood Plan policy level around the tenure mix of Affordable Housing, provides a recommendation and summarises relevant considerations.

Application of Local Plan policies

4.60 West Berkshire's adopted Core Strategy policy CS 6 on Affordable Housing requires that:

- on new housing schemes of 15 dwellings or more on brownfield sites 30% of units to be affordable, and on greenfield land this should be 40%;
- 30% affordable provision on sites of 10 – 14 dwellings; and
- 20% provision on sites of 5 – 9 dwellings.

4.61 Given that no Affordable Housing was delivered as part of the 80 new housing units delivered in Lambourn over the past decade, according to West Berkshire completions figures, it is understood that this target is not always met on sites in the NA.

4.62 In the emerging Local Plan Policy SP19, the Affordable Housing requirement on sites of 10 or more homes is 30% on previously developed land and 40% on greenfield land. On sites of between five and nine dwellings, 20% provision is required.

4.63 The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

4.64 How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures, such as the balance between rented tenures and routes to home ownership, is specified as 70% social rented and 30% intermediate affordable units in the adopted Core Strategy Policy CS 6, while emerging Local Plan policy SP19 sets out a tenure split of a lower threshold for prevision, requiring Affordable Housing provision of 25% First Homes, 70% social rented, and 5% shared ownership.

Affordable Housing at Neighbourhood level

4.65 The HNA can provide more localised evidence, and this may be used to support Neighbourhood Plan polices. This section suggests an Affordable Housing tenure mix that might be suitable for Lambourn on the basis of identified housing need and a range of other considerations detailed in Appendix D.

4.66 This indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here. In this context, delivery towards meeting for urgent needs for affordable rented tenures should be prioritised. The Local Plan guideline mix of 70% rented to 30% ownership appears to offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally.

4.67 Within the affordable home ownership category, whilst First Homes appears the less affordable option locally, national policy that First Homes should represent 25% of the affordable mix has been applied here, in line also with the emerging Local Plan for West Berkshire. In the interests of diversity and maximizing choice, a further 5% is allocated to shared ownership. Rent to Buy does not feature in the recommended mix as it was considered a less affordable tenure locally.

4.68 Where the Steering Group wish to develop policy that deviates from that outlined in the Local Plan, either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with West Berkshire to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

Table 4-8: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	**30%**	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	5%	Recently confirmed changes to the model to allow purchases of 10% share – impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	0%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	**70%**	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area, and whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current tenure profile

4.69 Lambourn's current tenure profile is formed predominantly of homeowners, making up around 60% of households, followed by private and social renters, accounting for approximately 20% of households each. The proportion of social renters is higher than within the wider local authority area and England as a whole.

4.70 Among horseracing industry workers, home ownership and social renting are substantially less common than for Lambourn households in general, while the proportion of private renting is correspondingly higher (whether from a landlord or employer, or in shared housing). It may be that the transient nature of the work prevents otherwise eligible households from meeting the local residency requirements for joining the Affordable Housing waiting list, and that together with lower incomes, the transient nature of the work also makes it equally less likely that industry workers tend to buy their own home.

4.71 Over the intercensal period, private renting among the wider Lambourn population has increased significantly in its popularity, while social renting has declined. The proportion of households living in shared ownership and owner occupation have remained largely unchanged.

Affordability

4.72 Between 2013 and 2022 average house prices in Lambourn rose by a significant 93%. The housing type for which prices increased most were flats, although overall they remained the cheapest type of housing.

4.73 The average total annual household income was £50,700 in Lambourn in 2020 (the most recent year for this data), while the gross lower quartile income for a single earner was £19,459 or £38,918 for dual income households across West Berkshire (this data is not available for smaller areas).

4.74 Comparing these local income levels with the cost of different tenures indicates that affordability in the area is not very positive, particularly for those on lower quartile incomes. Households with average incomes cannot afford to buy or rent in the private market locally, except for entry level market rents. Affordable housing products which are affordable on average incomes include first homes at a 50% discount, shared ownership at a 10-25% share, affordable rent, and social rent. Households on two lower quartile incomes cannot afford any of the tenures locally, with the exception of shared ownership at 10%, affordable rent and social rent. Those on single lower quartile incomes cannot even afford social rent without recourse to benefits. Affordable housing needs appear to be high and rising.

4.75 Affordability with reference to incomes among racing industry workers is even worse. It is evident that only couples on median incomes for the industry are able to afford any of the housing tenures in Lambourn considered here, and they are only able to afford affordable rented accommodation. Singles and lower quartile couples cannot even afford this tenure without additional subsidy. This is a stark picture of the affordability challenges for those working in the racing industry in Lambourn and in combination with the evidence above, justifies greater provision of the least expensive forms of Affordable Housing to serve their needs. Note that these findings differ from those arrived at in the Cambridge study, which used different metrics for the cost of different tenures, and assumed that 35% rather than 30% (as here) of a household’s income could reasonably be reserved for housing costs.

The need for Affordable Housing

4.76 In terms of the quantity of Affordable Housing, a combination of AECOM calculations and a pro-rating of the most recent figures from the HNA Update for West Berkshire in 2022 suggest a range of potential demand for Affordable Housing. The estimated need for affordable rented housing is for 6-8.6 units per annum or 90-129 units over the plan period. The estimated need for affordable home ownership is 9.6-15.2 units per annum or 144-228 units over the Neighbourhood Plan period.

4.77 While the estimated need for affordable home ownership is greater, there are clear and significant affordability challenges for those on average incomes and below in Lambourn, including those working in the horse racing industry. Therefore, meeting the more urgent need for social or affordable rent should be prioritized, particularly considering the lack of Affordable Housing delivery in recent years.

4.78 Taking these affordability and supply concerns into account, along with local and national planning policy, the guideline tenure split within Affordable Housing for Lambourn is proposed to be 70% Affordable Housing for rent and 30% Affordable Housing for sale (split between 25% First Homes and 5% Shared Ownership).

4.79 With regard to shared ownership and the racing industry it is also worth noting that (according to the, now fairly dated, Cambridge report) only 6% of respondents in the industry would favour shared ownership over other tenures. That said, 66% stated that they would like to buy their own home, and shared ownership or similar products, such as First Homes, are found here to potentially be the most appropriate route to eventual home ownership. Given that the vast majority of respondents had under £10,000 in savings to put toward a deposit on a mortgage, shared ownership may offer the best opportunity, within that budget restriction, to do so.

Affordable Housing policy

4.80 Table 4-9 summarises Lambourn's position with regards to the expected delivery of Affordable Housing, and how this might be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of Affordable Housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more Affordable Housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-9: Estimated delivery of Affordable Housing in Lambourn

	Step in Estimation	Expected delivery
A	Residual housing requirement figure (emerging Local Pan)	25
B	Affordable housing quota (%) in LPA's Local Plan	20-40% (depending on size of scheme & greenfield vs brownfield land location)
C	Potential total Affordable Housing in NA (A x B)	5-10
D	Rented % (e.g. social/ affordable rented)	3-7
E	Rented number (C x D)	
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	30%
G	Affordable home ownership number (C x F)	1-3

Source: AECOM estimate based on LPA's Affordable Housing policies, AECOM's indicative tenure mix

4.81 The table shows that even if the Local Plan target of 20-40% (depending on the size of scheme and whether it is built on greenfield or brownfield land) were achieved on every site in Lambourn, assuming the delivery of its target for 25 homes overall in the emerging Local Plan, only around 5-10 Affordable Homes might be expected to be delivered in the NA over the Neighbourhood Plan period. Clearly this would be insufficient to meet even the lower end of identified Affordable Housing need. Taking into account the fact that no Affordable Housing was delivered in recent years in Lambourn, actual delivery over the Neighbourhood Plan period may be even lower than estimated above.

4.82 It may therefore be advisable for the Steering Group to explore further avenues for delivering greater quantities of Affordable Housing, such as exception sites. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of Affordable Housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of Affordable Housing. It may also be possible to work with local employers in the racing industry to explore options for more staff accommodation.

5. Type and Size

Introduction

5.1 It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.

5.2 This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this chapter of the HNA. The evidence gathered here can be used to justify planning policies either on its own or in combination with survey results expressing the specific wants and concerns of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the neighbourhood plan.

5.3 This chapter has three aims, each given its own sub-section:

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

5.4 It is important to keep in mind that housing need is not an exact science. To get from a set of facts about the population to an ideal mix of homes requires making assumptions. For example, there are clear patterns about what size of home families tend to live in at different stages of life. However, a variety of other reasons sit behind people’s housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. Some trends can also change rapidly over time, such as the increasing preference for home working.

5.5 The conclusions and recommendations given here are therefore not definitive. Rather, they are what the statistics suggest future needs will look like based on current trends. This is sufficient for justifying planning policies, but it is also appropriate to take into account other factors and evidence if desired.

Definitions

- **Dwelling type**: whether a home is detached, semi-detached, terraced, a flat, bungalow or other type. Which a household chooses to occupy tends to be more about wealth and preference than a specific need.
- **Dwelling size**: how many rooms or bedrooms a home contains. While this could also mean floor area or number of storeys, the number of bedrooms is most reliably recorded in housing statistics. Bedroom numbers are also closely linked to family size and life stage.

- **Household**: a unit of people who live together, commonly a family, couple or single person. Not all dwellings contain a household, including properties that are vacant and second homes, so the number of dwellings and the number of households in an area is usually different.
- **Household composition**: the specific combination of adults and children who form a household. The Census offers a number of categories, for example distinguishing between families with children who are dependent or non-dependent (i.e. adults). ‘Other’ households in the Census include house-sharers, groups of students, and multi-family households.
- **Household life stage**: the age of the lead member of a household – usually the oldest adult, or what used to be called the ‘head of household’. Life stage is correlated with dwelling size as well as wealth.
- **Housing mix**: the range of home sizes and types in an area.
- **Over- and under-occupancy**: the degree to which the size and composition of a household lines up with the number of bedrooms in their home. If there are more bedrooms than the household would be expected to need, the home is considered under-occupied, and vice versa.

The current housing mix

5.6 This section establishes the current housing mix of Lambourn, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

5.7 Table 5-1 below shows that Lambourn’s mix of dwelling sizes is fairly well-balanced, though less dense (and usually more expensive) properties predominate. It is difficult to highlight meaningful differences in recent years because of a change in the way the Census counts properties: in 2011 the total aligned with the number of dwellings; in 2021 it aligns with the number of households. Because some dwellings are not occupied by a household, the 2021 data tends to slightly undercount the number of dwellings and therefore gives a false impression here that the total number of dwellings in Lambourn has fallen. This is not the case.

5.8 The Census divides dwellings into a standard set of categories that does not include bungalows: a detached bungalow will be counted only as a detached house, and so forth. It is therefore useful to refer to Valuation Office Agency (VOA) data, which is based on council tax reporting and is in other respects less precise, but which does isolate bungalows as a separate category. VOA counts 230 bungalows in Lambourn in 2022, which is 11.4% of all homes. This is a slightly higher proportion than wider West Berkshire (8.1%) and England (9.2%). Bungalows tend to appeal to older households and those with mobility limitations, so this element of Lambourn’s housing stock may be linked to the age profile of the population, considered later in this chapter. Unfortunately VOA data cannot be mapped to show the precise location of particular properties, but the 230 figure is the sum of the count in three LSOA areas (see Appendix A for more detail). Lambourn's bungalows are spread relatively evenly between them (there are 90, 80 and 60 in the three areas).

5.9 13.6% of horseracing industry workers living in or near to Lambourn resided in a caravan or other temporary structure (according to the, now slightly dated, survey cited in the Cambridge report). This compares with a rate of just 1% of the wider Lambourn population (which presumably includes some of the same residents) living in a caravan or other mobile or temporary structure in the 2021 Census. Note that the figure for flats in the summary tables in this chapter include the sub-categories of

- In a purpose-built block of flats or tenement (13.3% of all households in Lambourn in the 2021 Census);
- Part of a converted or shared house, including bedsits (1.4%);
- Part of another converted building, for example, former school, church or warehouse (0.9%);
- In a commercial building, for example, in an office building, hotel or over a shop (0.6%); and
- A caravan or other mobile or temporary structure (1.1%).

5.10 More recent estimates provided by the Steering Group suggest less than 12 caravans or temporary structures are housing racing industry workers.

5.11 The 2024 survey of local racing industry workers found that of those responding that they live in a house or flat, 71% live in a house. This still leaves a higher proportion of people living in flats than in the wider population, and does not account for the respondents who responded as living in shared accommodation (which may be in a shared flat or a room in a shared house that functions more like a flat or bedsit).

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

Type	2011	%	2021	%
Detached	677	35.4%	688	36.6%
Semi-detached	546	28.6%	555	29.5%
Terrace	446	23.4%	384	20.4%
Flat	228	11.9%	237	12.6%
Total	1,910		1,879	

Source: ONS 2021 and 2011, VOA 2021, AECOM Calculations

5.12 Looking at more detail on recent additions to the dwelling stock, the most recent completions data shared by the local authority, shown in Table 5-2, unfortunately only shows the 80 net housing completions by unit and tenure only, with no detail given on the dwelling type and size.

Table 5-2: Completions data for Lambourn provided by West Berkshire Council

	Net housing completions in Lambourn parish	Affordable housing (AH) completions in Lambourn parish	Remarks
2011/12	-2	0	
2012/13	3	0	
2013/14	26	0	2 housing schemes above AH threshold however permission granted before 2012 so AH is not required
2014/15	7	0	
2015/16	-1	0	
2016/17	4	0	
2017/18	16	0	The Malt Shovel, Upper Lambourn (6 net units)- provide financial contribution instead of onsite provision for 1 affordable unit
2018/19	14	0	
2019/20	3	0	
2020/21	3	0	
2021/22	1	0	
2022/23	6	0	

5.13 A sample of major residential planning applications on the local authority's website over the past 10 years shows only two approved major residential developments during this time period, which were approved for the following type and size mix. Neither scheme is under construction at the time of writing in April 2024, although the flats (an extension to an almshouses scheme) are expected to start later this year. A further application for 5 homes on Newbury Road is awaiting a decision.

- 20/00972/FULMAJ – Land North of Newbury Road Lambourn Hungerford – 8 x semi-detached 3 bedroom houses; and
- Ref. No: 19/02812/FULMAJ – Lambourn Methodist Church Lambourn Hungerford RG17 8YA – 11 x 1 bedroom flats.

5.14 Table 5-3 compares the NA mix from the Census 2021 to wider benchmarks. It shows that Lambourn's type mix is broadly similar to that of the wider Unitary Authority, although the NA has a higher proportion of detached houses and a smaller proportion of other dwelling types including flats. This is a characteristic that is not unusual for rural areas, and demonstrated in rising prices for flats, as discussed in Chapter 4 of this HNA.

Table 5-3: Accommodation type, various geographies, 2021

Type	Lambourn	West Berkshire	England
Detached	36.6%	33.1%	22.9%
Semi-detached	29.5%	32.5%	31.5%
Terrace	20.4%	17.1%	23.0%
Flat	12.6%	16.3%	22.2%

Source: Census 2021, AECOM Calculations

Dwelling size

5.15 Table 5-4 below presents the current housing mix in terms of size. It shows that the largest category is 3 bedroom homes, followed by a relatively even split between 2 and 4+ bedroom properties, leaving just 10% with 1 bedroom.

5.16 For dwelling sizes it is possible to observe changes between the 2011 and 2021 Census because their methods are the same for this dataset. Interestingly, the 3 bedroom category saw no growth while the number of both smaller (1-2 bedroom) and larger (4+ bedroom) homes increased. It is therefore apparent that recent construction has modestly diversified the housing stock in terms of size, and potentially improved affordability through the delivery of smaller properties. It should be emphasised that this data reflects changes to the existing stock of housing (such as extensions) rather than only the addition of newly built properties.

Table 5-4: Dwelling size (bedrooms), Lambourn, 2011-2021

Number of bedrooms	2011	%	2021	%
1	190	10.7%	195	10.4%
2	446	25.0%	482	25.7%
3	691	38.8%	691	36.9%
4+	456	25.6%	507	27.0%
Total	1,910		1,879	

Source: ONS 2021 and 2011, AECOM Calculations

5.17 Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider Unitary Authority area and country. Table 5-5 shows that Lambourn's size mix again closely tracks the pattern across wider West Berkshire. In fact, the NA's mix is slightly smaller than that of the wider Authority area. It remains larger than the national average, however.

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

Number of bedrooms	Lambourn	West Berkshire	England
1	10.4%	9.8%	11.6%
2	25.7%	22.8%	27.3%
3	36.9%	37.5%	40.0%
4+	27.0%	29.8%	21.1%

Source: Census 2021, AECOM Calculations

Current supply of specialist housing for workers in the horse racing industry

5.18 According to the Cambridge Centre for Housing and Planning Research, there has been some housing provision made for racing industry workers, predominately through racing charities such as Racing Welfare (which operates a Housing Association named Racing Homes) and Lambourn Valley Housing Trust. As of 2015/16, Racing Homes's existing stock profile comprised 5 units for general needs (Pegasus Court), 4 units for young people (Peter Walwyn House) and 11 units for older people (however, these are located outside of the parish – 6 in West Ilsley and 5 in Kingsclere).

5.19 Research undertaken by SQW identifies a number of other developments of specialist housing for those in the horse racing industry in the Lambourn Neighbourhood Plan area:

- Lambourn Valley Housing Trust: The Trust has built 12 x 2 bedroom homes and 6 x 3 bedroom homes on its own land as well as 3 houses purchased elsewhere, 1 of which has been turned into a flat. The Trust note that their current number of properties in Lambourn totals 31 – a mixture of 2-3 bedroom houses and flats for single people – following further purchases in 2024. The Trust is a registered charity working for the welfare of local stable staff, primarily through housing provision. All their homes are let at subsidised rents, some 50% of those charged by the local Council. Demand continues to outstrip supply;[13]
- Various accommodation built by local trainers for their employees; and
- Housing maintained by an Almshouse Charity which is 50% occupied by those or are or have been involved in the racing industry.

5.20 In addition to this current supply, it is understood that, to a limited extent, Local trainers plan to continue building accommodation for their own staff in the form of hostel accommodation and more traditional types of housing, and that the local Almshouse charity (mentioned above) plans to provide further housing units by converting a redundant chapel in the centre of Lambourn.

5.21 A search of major planning applications over the past 10 years shows an outline application for a specialist scheme in 2021 (21/00223/OUTMAJ) for a "residential development for the use of people connected to the horse racing industry, comprising approximately 24 apartments, a Young Persons Residence and associated development". However, this application was withdrawn.

Population characteristics

5.22 This section examines key characteristics of the local population that have a bearing on what housing might be needed in future years. Where available,

[13] Lambourn Valley Housing Trust plan to focus on the housing needs of single staff in the racing industry going forwards

recent data is used. However, for some information it is necessary to fall back on the 2011 Census.

Age

5.23 Table 5-6 shows the most recent age structure of the NA population, alongside 2011 Census figures. This shows the relatively rapid pace of ageing in Lambourn: the population in the cohorts aged over 65 has expanded by more than a third in the past decade, while all younger age groups have grown by less than 2% or contracted. Ageing is therefore likely to represent a key driver of housing need as more people enter age groups associated with changing accommodation requirements. At the same time, the lack of growth in the younger population, particularly in the linked groups of young children and those aged 25-44 (childbearing age), may present a future challenge to the balance and vibrancy of the community. This trend could present a justification to use new residential development to attract and retain young families in addition to serving the evolving needs of older people.

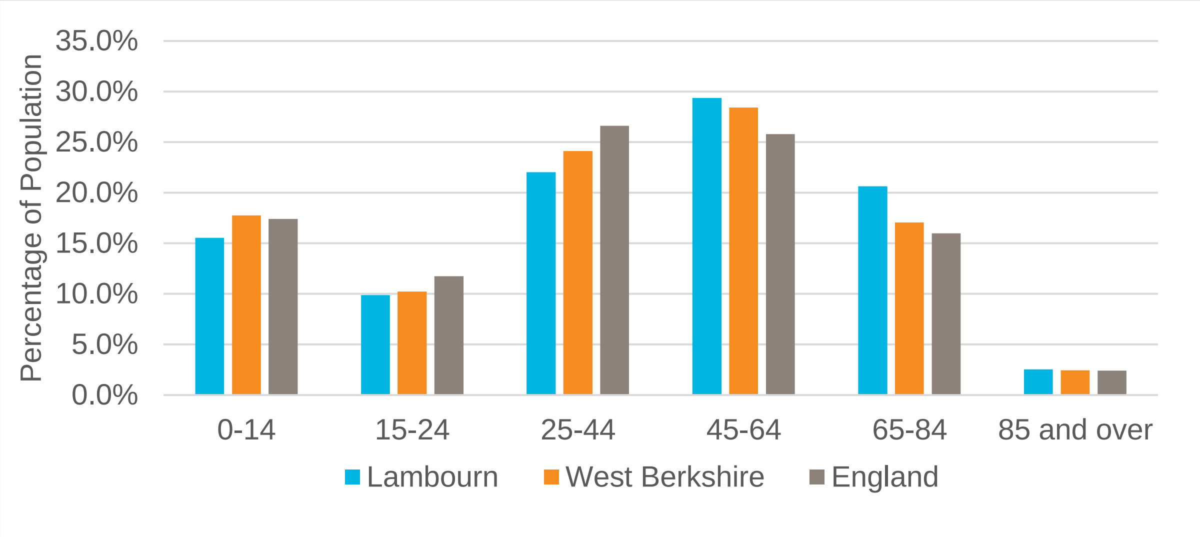
Table 5-6: Age structure of Lambourn, 2011 and 2021

Age group	2011 (Census)		2021 (Census)		Change
0-14	656	16.0%	656	15.5%	0.0%
15-24	411	10.0%	417	9.9%	1.5%
25-44	1,094	26.7%	930	22.0%	-15.0%
45-64	1,222	29.8%	1,240	29.4%	1.5%
65-84	646	15.7%	871	20.6%	34.8%
85 and over	74	1.8%	108	2.6%	45.9%
Total	4,103	100.0%	4,222	100.0%	2.9%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.24 For context, it is useful to look at the NA population structure alongside that of the Unitary Authority and country. Figure 5-1 (using 2021 Census data) shows that Lambourn's population is older than that of West Berkshire, which is in turn older than the national average. The large 65-84 age cohort in the NA is likely to translate into a significant increase in the 85+ cohort over the Plan period, which may increase people's needs for accessibility adaptations or additional support.

Figure 5-1: Age structure in Lambourn, 2021

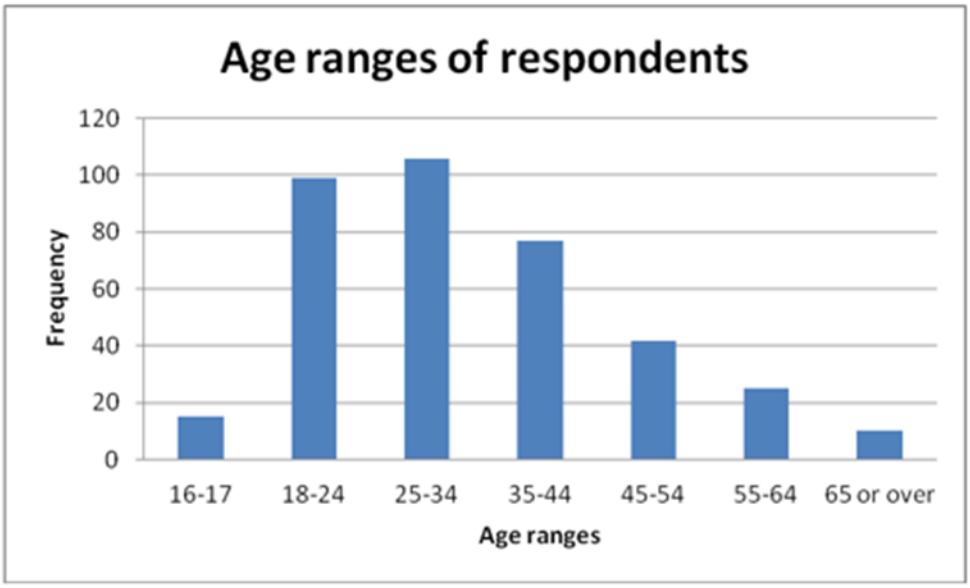


Source: ONS 2021, AECOM Calculations

5.25 In comparison with this picture of the overall Lambourn population, the survey of racing industry workers conducted in 2024 suggested that among these residents, 33% are aged 24 and under, 43% are aged 25-44, 22% are aged 45-64 and just 2% are aged over 65. This suggests that local people working in this industry are significantly younger than the wider population. This is relevant because younger people tend to have more limited housing choices due to lower incomes and lack of savings or equity to purchase. There is also a strong possibility that many of the 18-24 year old racing industry workers live at home with parents and could be lost to other employment sectors or locations if affordable independent move-on accommodation is not adequately provided.

5.26 Further data on racing workers (taken from the Cambridge report, and for the whole of the regional industry rather than Lambourn specifically) is reproduced in Figure 5-2 below, further confirming the relative youth of those involved in the sector.

Figure 5-2: Age structure in the horseracing industry



Source: Cambridge Centre for Housing and Planning Research, 2016, Figure 1

Household composition and occupancy

5.27 Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-7 shows that Lambourn has a slightly higher proportion of single-person households than West Berkshire at just under one third. Most households are composed of couples or families, but Lambourn has higher shares of older couples (a category that has grown by 71% since the 2011 Census) and lower shares of families containing children than wider averages.

5.28 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. This group expanded by 8% between 2011 and 2021 in the NA – a slower rate than the West Berkshire average of 17%.

Table 5-7: Household composition, Lambourn, 2021

Household composition		Lambourn	West Berkshire	England
One person household	**Total**	30.3%	27.0%	30.1%
	Aged 66 and over	13.4%	12.5%	12.8%
	Other	16.9%	14.5%	17.3%
One family only	**Total**	63.3%	67.9%	63.1%
	All aged 66 and over	13.4%	10.8%	9.2%
	With no children	20.0%	19.1%	16.8%
	With dependent children	21.4%	27.2%	25.8%
	With non-dependent children[14]	8.9%	10.4%	10.5%
Other household types	**Total**	6.4%	5.1%	6.9%

Source: ONS 2021, AECOM Calculations

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

5.30 Table 5-8 shows that around 74% of households have at least one more bedroom than they would be expected to need, and 50% have two more. This is particularly the case for couples over 65 and families without children. While not uncommon, this suggests that the NA's larger housing is not necessarily being occupied by households with the most family members, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties.

5.31 There are very few households with too few bedrooms, but these are exclusively those with dependent or adult children – suggesting that affordability difficulties are causing a small number of family households to live in overcrowded accommodation.

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

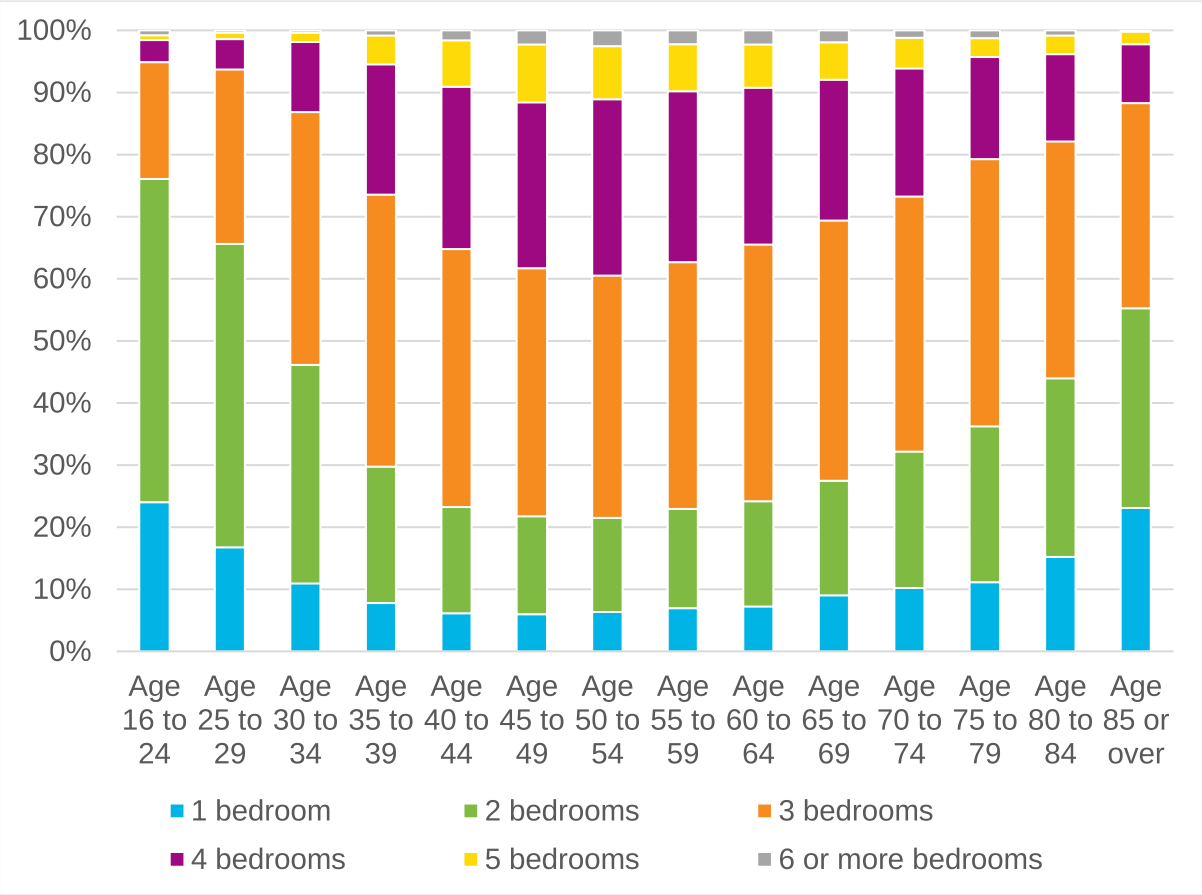
Table 5-8: Occupancy rating by age in Lambourn, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	82.5%	12.4%	5.2%	0.0%
Single person 66+	58.0%	15.9%	26.1%	0.0%
Family under 66 - no children	70.4%	22.8%	6.8%	0.0%
Family under 66 - dependent children	22.2%	37.0%	34.0%	6.8%
Family under 66 - adult children	29.3%	27.6%	41.4%	1.7%
Single person under 66	41.3%	26.0%	32.7%	0.0%
All households	49.5%	24.8%	23.6%	2.1%

Source: ONS 2021, AECOM Calculations

5.32 As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-3 sets out this relationship for West Berkshire in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-3: Age of household reference person by dwelling size in West Berkshire, 2011



Source: ONS 2011, AECOM Calculations

Future population and size needs

5.33 This section projects the future age profile of the population in Lambourn at the end of the Neighbourhood Plan period and then estimates the mix of dwelling sizes they may need.

Age

5.34 The result of applying Local Authority level household projections to the age profile of Lambourn households in 2011 is shown in Table 5-9. Note that this is based on 2011 Census data as a baseline, as these datasets have not yet been released from the 2021 Census at the time of writing.

5.35 This table makes clear that population growth can be expected to be driven by the oldest households, with 83% growth in households aged 65 and over, 3% growth in households aged 55-64, and a decline in all younger household groups. The latter shift may be less extreme in practice due to the ability of the local racing industry to attract younger workers (as suggested in the demographic profile of current respondents). That said, continuing to do so may require the provision of more suitable (potentially smaller and more affordable) accommodation for this group.

Table 5-9: Projected age of households, Lambourn, 2011 - 2039

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	34	183	728	353	485
2039	30	160	587	364	888
% change 2011-2039	-12%	-12%	-19%	3%	83%

Source: AECOM Calculations

5.36 The demographic change discussed above can be translated into a suggested mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-3) onto the projected age profile for the NA in Table 5-9 immediately above. The resulting ‘ideal’ future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

5.37 This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.

5.38 The result of this exercise is presented in Table 5-10. It suggests that by the end of the Neighbourhood Plan period in 2039, Lambourn’s new stock should ideally be split between around 60% of dwellings with 3 bedrooms, 30% with four bedrooms, and 10% with one bedroom. The latter smaller dwellings are also particularly important to cater for racing industry employees. The suggested mix of new housing is less diverse than the current mix of existing housing in Lambourn, with fewer additional smaller homes including no additional 2 bedroom homes.

Table 5-10: Suggested dwelling size mix to end of Plan period in 2039, Lambourn

Number of bedrooms	Current mix (2021)	Suggested mix (2039)	Balance of new housing to reach suggested mix
1	10.4%	10.1%	6.1%
2	25.7%	22.5%	0.0%
3	36.9%	39.7%	64.3%
4+	27.0%	27.6%	29.6%

Source: AECOM Calculations

5.39 The following points sense-check the results of the model against other evidence and suggest ways to interpret them when thinking about policy options.

- The survey of racing industry employees in the Cambridge report suggested needs for smaller units, thus emphasising the importance of the 1 bedroom dwellings in the mix above, and providing a potential argument for more 2 bedroom homes than the model suggests. This is corroborated by the local housing survey of racing workers, which showed that around a third of them age aged below 24 and are therefore less likely to have large families or high incomes – making smaller accommodation likely to be most suitable to their needs.
- The size mix proposed for the Unitary Authority area in the West Berkshire HNA Update is fairly dissimilar to the mix proposed above for Lambourn. For market housing it identifies less need for one bedroom, 3 bedroom, and 4+ bedroom dwellings than our HNA (5-10%, 35-40%, and 10-15% respectively) and a significantly greater need for two bed dwellings (40-45%). The emphasis is firmly on two and three bedroom dwellings. It also sets out a different mix for Affordable Homes, which are likely to form a small proportion of Lambourn housing, as discussed above. We believe that this is due to a different tenure and size profile of supply and demand across the Unitary Authority area as a whole.

Table 5-11: Need for different sizes of homes across West Berkshire as a whole

	1 Bed	2-Beds	3-Beds	4+ Beds
Market	5-10%	40-45%	35-40%	10-15%
Affordable Ownership	20-25%	45-50%	20-25%	5-10%
Affordable Rented	30-35%	35-40%	20-25%	5-10%

Source: West Berkshire HNA Update

- The findings of the survey of horse racing employees may justify rebalancing the HNA recommendations slightly, placing a greater emphasis on 1-2 bedroom dwellings than the model above suggests, if this is in line with the objectives of the community, and subject to discussions with the local authority.
- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type, and density for local residents' budgets. This, together with the evidence showing that no Affordable Homes have been secured over the past decade, and that house prices are rising fastest for flats, adds further emphasis on the need for smaller homes in Lambourn, which are more likely to affordable to residents on average and lower incomes, including those employed in the racing industry.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable.

Tenure

5.40 The recommendation discussed immediately above applies to all housing in the NA over the Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.

5.41 Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.

5.42 There are three key sources of information for thinking through the size needs of different categories. These are:

- The current HNA Update for West Berkshire (and any further relevant updates in the future), which set out the projected need by size within each tenure over the long-term. In this case, the West Berkshire HNA Update indicates, as shown in Table 5-11 above, that affordable tenures should feature more 1 and 2 bedroom dwellings, and fewer larger units, based on needs across the wider Unitary Authority area.
- The waiting list for affordable rented housing, kept by the Local Authority, which provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In the case of the current West Berkshire Housing Waiting List shared with AECOM at the time of writing, as shown in Table 4-7, the greatest demand demonstrated here is for 2 bedroom dwellings (42 out of 111), closely followed by 3 bedroom (36) and 1 bedroom dwellings (29).
- Any relevant household survey or consultation work in the NA can also highlight any specific gaps in the market within particular segments of the population. If further surveys are undertaken to support the Neighbourhood Plan these could include questions on housing type and size preferences, which could be taken into account in the formulation of the Neighbourhood Plan.

5.43 To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes while market homes focus on mid-sized homes and some larger options. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

5.44 Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than ‘need’ in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.

5.45 The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.

5.46 The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Lambourn, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.

5.47 In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the Steering Group and community to consider.

Conclusions- Type and Size

The current housing mix

5.48 With regard to the current dwelling type mix, Lambourn is currently characterised by a high proportion of detached homes, which make up over a third of the total stock. In this, and many other respects, Lambourn's housing stock resembles West Berkshire as a whole, although the predominance of detached dwellings, compared to other housing types is even more pronounced in Lambourn. Bungalows are also more common than across the wider Unitary Authority area.

5.49 It is also worth noting that 13.6% of horseracing industry workers living in or near to Lambourn resided in a caravan or other mobile or temporary structure. This compares with a rate of just 1% of the wider Lambourn population (which presumably includes some of the same residents) and – together with higher rates of living in flats and shared accommodation among this group – may indicate the relative unsuitability of the housing offer available to racing industry employees.

5.50 Housing in Lambourn tends to be medium sized dwellings with 2-4 bedrooms. Over the intercensal period there has been a marginal increase in households living in 4-bedroom dwellings and a slight decrease in 3 bedroom dwellings, although this reflects a small sample size of new completions and some housing extensions having taken place.

5.51 SQR Research discusses developments of specialist housing for horse racing industry workers in Lambourn, identifying one larger development of 12 x 2 bedroom and 6 x 3 bedroom homes by Lambourn Valley Housing Trust, various accommodation built by local trainers for their own employees, and housing maintained by an Almshouse Charity, half of which is occupied by current or former racing industry workers.

Population characteristics

5.52 Lambourn's current demographic profile is roughly in line with that of the Unitary Authority area and country as a whole. The greatest share of the population is composed of the 45-64 age group (almost a third), followed by the 25-44 age group and the 65-84 age group (each just under a quarter). Between the 2011 and 2021 censuses there has been a significant increase in the number of those in the two oldest age groups, aged 85+ and 65+ in Lambourn, with a negligible increase or actual percentage decline in all other age groups.

5.53 It is worth comparing this snapshot with data relating to horseracing industry workers. The relative youth of those involved in the sector is clear. It is also the case that if the older population in Lambourn predominates and is projected to expand further, this will drive the overall need for new housing. While older and younger households do overlap to some degree in their needs, affordability between the generations can vary significantly. Particular consideration may therefore continue to be needed to ensure racing industry workers are appropriately catered for.

5.54 At present, the NA tends to be dominated by couple and family households (63.3%), but with a significant proportion of one person households (30%), which is slightly greater than for the Unitary Authority area as a whole (27%). There is also a marginally greater proportion of other households (such as HMOs) at 6.4% than are present across the wider Unitary Authority area (5.1%). This may have a relationship with accommodation for local racing industry employees. Over the intercensal period, older couples' households have experienced significant growth of 71%.

5.55 Analysis of over-and under-occupation in Lambourn shows that around 74% of households have at least one more bedroom than they would be expected to need, and 50% have two more. This is particularly the case for couples over 65 and families without children. There are very few households with too few bedrooms, and they are exclusively those with dependent or adult children.

Future population and size needs

5.56 Household projections reveal that households aged 65+ are expected to increase by 83% by the end of the Plan Period. All other age groups are set to contract significantly (by 12-19%), with the exception of a marginal increase of 3% in those aged 55-64.

5.57 Combining these household projections with dwelling size patterns gives an indication of what size of new dwellings might be needed by the end of the Plan Period. The resultant split recommends 6% 1-beds, 64% 3-beds, and 29.6% 4 or more beds, with no additional 2 bedroom dwellings needed. It is noted that this particular split places less emphasis on smaller homes than other evidence about the needs of, for instance, racing industry employees, those on lower incomes and people on the waiting list for Affordable Housing. Given this, it is important to emphasize the fact that the model used is limited, and can be used in combination with other data sources and applied with a large degree of flexibility.

5.58 In comparison to our own dwelling size split, the West Berkshire HNA Update puts forward a split more heavily weighted towards 2-bed homes, but also with a significant emphasis on 3 bedroom homes. This could be used to develop a final target size mix seeking closer to 30% 1-2 bedroom homes, 50% 3 bedroom homes, and 20% 4+ bedroom homes.

5.59 It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

6. Specialist housing for older people

Introduction

6.1 It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Lambourn. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

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

6.3 It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.[15]

6.4 This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).[16] Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

6.5 The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with

[15] See Paragraph: 017 Reference ID: 2a-017-20190220, at https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments)
[16] For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.

- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.

- **Sheltered Housing[17]:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.

- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

- **Category M4(2):** accessible and adaptable dwellings.

- **Category M4(3):** wheelchair user dwellings.

Specialist housing for older people

6.6 There is a total of 68 units of specialist accommodation across three schemes in the NA at present, all of which are offered as sheltered housing. Two of the three schemes (Harris Close and The Park), comprising 55 units in total, are rented through a social landlord for those requiring financial support. The remaining 13 units (at St Michaels Close) are offered for leasehold market purchase. In Lambourn there is, therefore, a strong bias toward social rent over market purchase and an exclusive focus on sheltered rather than extra care

[17] See http://www.housingcare.org/jargon-sheltered-housing.aspx

housing in the existing stock of specialist accommodation. Additional details are provided in Appendix E. Note that the College and Baydon House scheme (23 social rented sheltered housing dwellings) appears to have partially closed in recent years. The Steering Group note that while College House and Baydon house themselves have been sold, the associated homes to the rear of them remain in the hands of the Housing Association.

6.7 The total above does not include the 11 units at the Almshouses of John Isbury and Jacob Hardrett in Lambourn. These are provided for those in financial rather than support needs, although their occupants may well overlap with those potentially in need of specialist housing. Note that the Almshouses are expected to be extended during 2024.

6.8 The 2021 Census indicates that at this time there were 451 individuals aged 75 or over in Lambourn. This suggests that current provision is in the region of 151 units per 1,000 of the 75+ population (a common measure of specialist housing supply). The national average for England is 136 units per 1,000 of the 75+ population[18], so provision in the NA is slightly above this level.

Demographic characteristics

6.9 The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Lambourn is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for West Berkshire. The results are set out in Table 6-1 below. The 75+ population in the NA is projected to increase by 61% to 2039, from 451 to 726 people, increasing from 11% to 18% of the total population.

6.10 A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

[18] Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now DLUHC) and the Care Services Improvement Partnership

Table 6-1: Modelled projection of older population in Lambourn by end of Plan period

Age group	2021		2039	
	Lambourn	West Berkshire	Lambourn	West Berkshire
All ages	4,222	161,447	4,111	157,201
75+	451	14,459	726	23,270
%	10.7%	9.0%	17.7%	14.8%

Source: ONS SNPP 2020, AECOM Calculations

6.11 The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.

6.12 The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2039. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that owner occupation is by far the dominant tenure among this age group, and that most of those who continue to rent are reliant on subsidised social rented housing.

6.13 The expected growth in the 75+ population in the NA is 276 additional individuals by the end of the plan period. This can be converted into 198 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55-75 year olds occupying each tenure gives a breakdown of which tenures Lambourn households are likely to need in 2039, and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in West Berkshire (2011) and projected aged 75+ in Lambourn (2039)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
West Berkshire (2011 mix)	**79.3%**	54.4%	24.9%	**20.7%**	13.0%	6.1%	1.5%
Lambourn (2039 projection)	**157**	108	49	**41**	26	12	3

Source: Census 2011

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

Future needs for specialist accommodation and adaptations

6.15 Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be 80.

6.16 AECOM’s modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

6.17 While the balance of care required of new specialist housing is relatively even, it appears that nearly three-quarters of the need is for market rather than affordable tenures. This reflects the high rate of ownership among people expected to enter the 75+ age bracket during the Neighbourhood Plan period. This would also seem to align with imbalances in the existing stock, which is weighted strongly in favour of affordable tenures. The existing stock also lacks extra care options entirely, which could be a good reason to adjust the balance of new specialist accommodation to provide more such options – rather than the roughly even split suggested by the model here.

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

Type	Affordable	Market	Total
Housing with care	11	26	**37**
Adaptations, sheltered, or retirement living	10	33	**43**
Total	**21**	**59**	**80**

Source: Census 2011, AECOM Calculations

6.18 It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. HLIN calculations

6.19 **Ta** in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Lambourn results in a total of 70 specialist dwellings that might be required to the end of the Plan period. This is set out in Table 6-4 below. The balance here also favours market housing and lower care options. The same considerations discussed above with regard to imbalances in the existing stock also apply to these findings.

Table 6-4: HLIN estimate of specialist housing for older people need in Lambourn by the end of the Plan period

Type	Affordable	Market	Total
Housing with care	9	11	**20**
Adaptations, sheltered, or retirement living	17	33	**50**
Total	**26**	**44**	**70**

Source: Housing LIN, AECOM calculations

6.20 For comparison, the 2023 West Berkshire Housing Needs Assessment Update identified a total need for 1,137 specialist housing units across the whole unitary authority area for the period 2021-2039. This can be pro-rated to Lambourn based on the share of the West Berkshire population living in the NA at the time of the 2021 Census (2.6%), to produce an estimate of 30 specialist accommodation units. This is less than half of the estimates presented above. This is in part because large-scale need estimates do not take account of local factors, notably the greater ageing of Lambourn's population. The West Berkshire figure also reflects a surplus of affordable extra care accommodation across West Berkshire as a whole which does not necessarily reflect the situation in Lambourn. However, this larger-scale evidence does suggest that the demand estimates provided above can reasonably be seen as aspirational figures rather than firm targets, which the Steering Group can choose to pursue only if this is in line with the objectives of the community.

Further considerations

6.21 The above estimates suggest that potential need for specialist accommodation could be in the range of 70-80 units over the Neighbourhood Plan period. Though maximising the potential delivery of specialist housing for older people within Lambourn would ensure that older people with evolving housing needs have access to suitable options within their existing communities and in close proximity to friends and family, it may not be realistic or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing allocation delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.

6.22 In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.

6.23 Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).

6.24 It is considered that Lambourn is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Lambourn in other suitable locations near to but outside the Plan area boundaries).

6.25 It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

Care homes

6.26 Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.

6.27 However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.

6.28 Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.

6.29 AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. Based on this rate, applied to the growth in the older population for consistency with the calculations above, it is estimated that by 2039 there could be a need for 18 care homes beds in the NA. This is slightly below the estimate produced by prorating the need figure in the 2023 West Berkshire Housing Needs Assessment Update, which suggests that the unitary authority's need to 2049 is 1,032 bedspaces – 2.6% of which would equate to a need for 27 bedspaces potentially attributable to Lambourn.

6.30 It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

The Role of Mainstream Housing

6.31 The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 85% of the Lambourn population aged 75 and over is likely to live in the mainstream housing stock[19].

6.32 It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation in suitable to their needs and whether adequate care or support is provided within the home when they need.

6.33 However, given that there is unlikely to be a large volume of additional specialist supply during the Plan period, another key avenue to addressing those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with West Berkshire.

6.34 It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings[20], although changes to Building Regulations have not yet been made.

[19] 451 over 75s in 2021, of which 68 are accommodated in specialist housing and 0 in care homes, leaving 383 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.
[20] See Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK (www.gov.uk)

6.35 Policy SP18 of the emerging Local Plan Review sets a requirement for all new dwellings to be delivered to Category M4(2) standards. The evidence gathered here supports the delivery of this target in Lambourn specifically.

6.36 It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility. Assuming that the emerging Local Plan Review is adopted, there is little value in the Neighbourhood Plan deviating from the Unitary Authority's ambitious approach in this policy area. However, if for any reason the emerging Local Plan Review does not go forward, there may be value in the Steering Group discussing with West Berkshire Council the possibility of including such a policy in the Neighbourhood Plan, since the adopted Core Strategy does not set any specific targets with regard to housing accessibility.

6.37 The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available. The emerging Local Plan Review again sets a target (for 10% of market housing and a maximum of 5 affordable units) to meet wheelchair user building regulations standards, while the adopted Core Strategy is largely silent on the issue. Though rates of wheelchair use in Lambourn specifically are unknown, this is another potential policy area for discussion with West Berkshire Council depending on the adoption of the emerging Local Plan review.

Conclusions- Specialist Housing for Older People

Characteristics of the current older population

6.38 There are currently estimated to be around 450 individuals aged 75 or over in Lambourn, representing 11% of the population. There are three schemes of specialist accommodation in the NA at present, according to the Elderly Accommodation Counsel search tool. These offer a total of 68 accommodation units, all of which are sheltered (rather than offering extra care) and the vast majority of which are socially rented rather than in private ownership.

6.39 A clear majority (79%) of West Berkshire households aged 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2039) are owner occupiers, and the remainder predominantly rent from a social landlord. This is important because those currently owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent will need to rely on subsidised rented housing because they are unlikely to have the funds to buy. Rates of disability in Lambourn are also higher among social tenants than owner-occupiers.

Projected demographic change and need for specialist housing

6.40 The 75+ population of the NA is projected to increase to 726 people over the Neighbourhood Plan period, to become 18% of the population in 2039. As established in the previous chapter, Lambourn has an older population than the wider Unitary Authority and is likely to age faster in the coming years unless new development attracts a replacement population of younger families.

6.41 The growth in the existing older population, which, rather than the total, is the focus of the estimates of need here, should be converted into households because some older people will be cohabiting in old age. The projected household growth to 2039 among those aged 75+ in Lambourn is 198.

6.42 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 the results of the 2023 West Berkshire Housing Needs Assessment Update.

6.43 The two Lambourn specific estimates suggest a range of 70 to 80 specialist accommodation units might be required during the Plan period. When prorating the West Berkshire figures, the need attributable to Lambourn is lower at 30 units, although this is considered less representative of the local population profile.

6.44 The HNA estimates are also broken down by tenure and level of support required. Broadly, 60-75% of the need is for accommodation offered for market purchase. This chimes with the higher propensity of older households to be homeowners. Around 50-70% of the need is found to be for sheltered housing with limited support rather than additional care arrangements. The potential need for care and nursing home beds in Lambourn to 2039 can be roughly estimated at 13 bedspaces.

6.45 Although there is an opportunity to build specialist housing development in Lambourn itself for people who do not want to leave their immediate surroundings and social networks when their housing needs change in old age, it may not be considered prudent to prioritise the potential demand from older people to the exclusion of other groups, such as those in need of Affordable Housing, young families, and others important to maintaining a balanced and vibrant community. The HNA evidence can be used to support specialist housing development but does not make that obligatory. How far to promote this is a choice for the Steering Group and wider community.

Accessibility and adaptability

6.46 Depending on whether there is likely to be additional specialist supply during the Plan period, an alternative or additional avenue to the provision of additional specialist homes is to discuss the standards of accessibility and adaptability required of new development with West Berkshire Council. The emerging Local Plan Review proposes ambitious requirements that appear justified in Lambourn and would require no further policy action in the Neighbourhood Plan. However, if the emerging Local Plan Review does not proceed, there may be value in filling this policy gap in the adopted Core Strategy.

7. Next Steps

Recommendations for next steps

7.1 This Neighbourhood Plan housing needs assessment aims to provide Steering Group with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with West Berkshire Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of West Berkshire Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by West Berkshire Council.

7.2 This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.

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

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

Appendix A : Assessment geography

A.1 For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The NA and parish equates to the following combination of LSOAs:

- E01016304
- E01016305
- E01016306

A.2 Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. Because the NA can be composed exactly of LSOAs, this is not an issue for Lambourn.

A.3 Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the NA is located and which will need to serve as a proxy for it, has the code number E02003368. Lambourn forms around two-thirds of this area on its western side. An additional area extending to Great Shefford in the east is also included.

Appendix B : Local Plan context

Policies in the adopted local plan

B.1 Table B-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Lambourn.

Table B-1: Summary of relevant adopted policies in the West Berkshire Core Strategy 2006-2026 (adopted in 2012)

Policy	Provisions
Policy CS1: Delivering New Homes and Retaining the Housing Stock	Provision will be made for the delivery of at least 10,500 net additional dwellings and associated infrastructure over the period 2006 to 2026… phased and managed in order to meet at least an annual average net additional dwelling requirement of 525 dwellings per annum and to maintain a rolling five year supply of housing land. *Note that the Housing Site Allocations Development Plan Document 2017 acknowledges that the Berkshire SHMA "has identified an objectively assessed need figure of 665 dwellings per annum over the period 2013-2036", which is greater than the annual target of 525 outlined in this policy. However, the SHMA figure "does not translate directly into a housing requirement for the District due to the need to take into account factors such as environmental constraints and the Duty to Cooperate" and "what the future requirement should be, will be considered as part of the preparation of the new Local Plan."*
Area Delivery Plan Policy 1: Spatial Strategy	Most development will be within or adjacent to the settlements included in the settlement hierarchy … and related to the transport accessibility of the settlements … their level of services and the availability of suitable sites for development. The majority of development will take place on previously developed land. West Berkshire's main urban areas will be the focus for most development. Lambourn falls into the North Wessex Downs AONB area and is classified as a rural service centre with a range of services and reasonable public transport provision - opportunities to strengthen role in meeting requirements of surrounding communities.
Paragraph 4.14	The rural service centres provide the role of a focal point for the surrounding villages and rural areas in terms of the provision of services and facilities and will accommodate some additional housing. The level of development in the individual settlements will vary depending on the character and function of the settlement and on assessment of the potential sites available for housing.
Policy CS4: Housing Type and	Residential development will be expected to contribute to the delivery of an appropriate mix of dwelling types and sizes to meet the housing needs of all sectors of the community, including those with specialist requirements. The mix on an individual site should

Policy	Provisions
Mix	have regard to: … Character …; Accessibility … and availability of existing and proposed local services, facilities and infrastructure; The evidence of housing need and demand from Housing Market Assessments and Other relevant evidence sources. Developments will make efficient use of land with greater intensity of development at places with good public transport accessibility: Higher densities above 50 dwellings per hectare may be achievable in town centres In the areas outside town centres, new residential development will predominantly consist of family sized housing … of between 30 and 50 dwellings per hectare Lower density developments below 30 dwellings per hectare will be appropriate in certain areas of the District. Some parts of the urban areas and some villages are particularly sensitive
Policy CS6: Provision of Affordable Housing	Subject to the economics of provision, the following levels of Affordable Housing provision will be sought by negotiation: On development sites of 15 dwellings or more (or 0.5 hectares or more) 30% provision will be sought on previously developed land, and 40% on greenfield land; On development sites of less than 15 dwellings: 30% provision on sites of 10 – 14 dwellings; and 20% provision on sites of 5 – 9 dwellings. The Council will seek a tenure split of 70% social rented and 30% intermediate affordable units but will take into consideration the identified local need and the site specifics.
Paragraph 5.31	Taking account of housing need and past delivery trends the Council will seek an overall target of 35% of all new housing to be affordable.
Policy CS 12: Equestrian / Racehorse Industry Development	Proposals for equestrian related development that provides diversification opportunities for farmers, helps to strengthen the rural economy, and increases opportunities for people to enjoy the countryside in a sustainable way, will be supported. Development associated with equestrian activities will be encouraged where the reuse of existing buildings is considered before any new build; and the scale, form, impact, character, siting, and level of activity is in keeping with its location. Proposals for associated new residential accommodation in the countryside will be permitted where genuine need is suitably demonstrated through a business case and accommodation cannot be reasonably secured within existing settlements.

Source: West Berkshire Core Strategy 2006-2026[21]

[21] Available at Current Development Plan for West Berkshire - West Berkshire Council

Policies in the emerging local plan

7.5 The proposed submission West Berkshire Local Plan Review 2022-2039 (January 2023)[22] was submitted to the Secretary of State on 31 March 2023, and is being independently examined at the time of writing. Note that West Berkshire Council previously announced its intention to withdraw the Plan due to a change in administration. However, subsequent to intervention by the Secretary of State, the Council has announced its decision to continue progressing the Plan through Examination as directed.

7.6 Table B-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Lambourn.

Table 2-2: Summary of relevant emerging policies in the West Berkshire emerging Local Plan Review

Policy	Provisions
Policy SP1 The Spatial Strategy	Within other defined settlements *(including Lambourn)* developments are expected to secure a net density of at least 30 dwellings per hectare. Developments on the edge of defined settlements are generally expected to secure a net density of 30 dwellings. However, lower density developments will be appropriate in certain areas of the District that are particularly sensitive. The North Wessex Downs AONB will have appropriate and sustainable growth that conserves and enhances its special landscape qualities.
Policy SP3 Settlement Hierarchy	Lambourn is classified as a Rural Service Centre offering development potential appropriate to the character and function of the settlement through: e. Infill or changes of use within the settlement boundary; f. Non-strategic sites allocated for housing and economic development through other policies in the LPR or neighbourhood plans; and g. Rural exceptions Affordable Housing schemes Development in smaller settlements with settlement boundaries, and which are not included in the settlement hierarchy, will be delivered in accordance with Policy SP1. Development outside of these settlements, in other rural hamlets and in isolated groups of development will be restricted to that which is appropriate in a rural area as set out in Policy DM1.
Policy SP12 Approach to	Provision will be made for 8,721 to 9,146 net additional homes in West Berkshire for the period 1 April 2022 to 31 March 2039;

[22] Available at LPR_2022-2039_Proposed_Submission_for_consultation_20_Jan_2023_for_web.pdf (westberks.gov.uk)

Policy	Provisions
Housing Delivery	513 to 538 dwellings per annum - not constituting a ceiling or cap to development.
Policy SP15 Sites Allocated for Residential & Mixed-Use Development in the North Wessex Downs AONB	Land adjoining Lynch Lane, Lambourn is allocated for 60 homes. The Lambourn Designated Neighbourhood Area is allocated 25 residential units (in addition to existing allocations).
Paragraph 6.38	The special characteristics of the North Wessex Downs AONB mean that development will be modest, helping to meet local needs, support the rural economy and sustain local facilities in accordance with Policy SP2. Sites in the rural service centre of … Lambourn will be brought forward through Neighbourhood Plan
Policy SP18 Housing Type & Mix	Residential development will contribute to the delivery of an appropriate mix of dwelling tenures, types and sizes to meet the existing and future housing needs of all sectors of the community, including those with specialist requirements. Residential developments should provide a mix of unit sizes. All developments, including conversions, of 10 or more dwellings (gross) will provide a mix of dwelling sizes … having regard to: a. The most up to date evidence on local housing needs; b. The appropriate mix for the site's size and location; c. For conversions or redevelopment, any physical factors limiting a particular mix; and d. Site specific viability. All dwellings should be delivered as accessible and adaptable dwellings in accordance with Building Regulations M4(2). Around 10% of the new market housing and a maximum of 5 units of the affordable sector should also meet the wheelchair accessible standard M4(3) wheelchair user dwellings unless evidence clearly demonstrates that this would make the scheme unviable. In order to support local communities to meet their housing needs the Council will normally support the development of housing schemes that are initiated by local communities. These may include schemes involving Affordable Housing, co-housing, community self-build, or housing for people with specific needs such as older people or those with disabilities.

Policy	Provisions
Policy SP19 Affordable Housing	Affordable homes will be sought … on-site. a. On development sites of 10 dwellings or more (or 0.5 hectares or more), 30% provision on previously developed land and 40% on greenfield land; or b. On development sites of between five and nine dwellings, 20% provision. lower provision of Affordable Housing should not be sought, other than in exceptional circumstances and where fully justified … in a viability assessment plus a review mechanism will be required. The Council will seek a tenure split of 25% First Homes and then 70% social rented, and 5% shared ownership. The priority is for social rent. For 100% build to rent schemes, Affordable Housing provision will be affordable private rent, discounted by minimum 20% from local market rents. For extra care housing the policy will be implemented on a case-by-case basis
Paragraph 6.89	A First Home is a home sold at a discounted price of no more than 70% of the market value of the property. The market value must be determined by an independent registered valuer and based on the assumption that the home is sold as an open market dwelling without restrictions. The first time a First Home is sold, it must not cost more than £250,000, after the discount has been applied. Future re-sales of the home must also be at a discounted price of no more than 70% of the market value of the property. First Homes can only be purchased or rented by buyers or tenants who meet the eligibility criteria sets out in the Council's First Homes policy.
Policy RSA14 Land adjoining Lynch Lane, Lambourn (Site Ref: HSA 19)	The provision of approximately 60 dwellings, to be delivered at a low density in keeping with the surrounding area. The development should ensure a mix and type of dwellings appropriate for the local area, taking into account the needs of the horseracing industry which has a specific need for affordable single person accommodation;
Policy RSA15 Land at Newbury Road, Lambourn	The provision of approximately 5 individually designed dwellings to be delivered at a low density in keeping with the surrounding area.

Policy	Provisions
(Site Ref: HSA 20)	
Policy DM17 Rural Exception Housing	Small scale rural exception housing schemes will be supported adjacent to rural settlements to meet a local housing need. Such schemes will be expected to be in response to a need identified through a local needs survey … and will deliver 100% Affordable Housing
Policy DM19 Specialised Housing	The provision of new specialist forms of housing designed to meet the needs of those with identified support or care needs will be supported where: a. Housing meets a proven locally identified need in the District for the specific housing product being proposed; and b. The location is appropriate, in terms of design, layout, and accessibility of facilities, services and public transport.
Policy DM23 Housing Related to Rural Workers	New dwellings in the countryside related to, and located at or near, a rural business will be supported where a set of criteria are satisfied

Source: West Berkshire Council: consultation version 20th January 2023

Appendix C : Affordability calculations

C.1 This section outlines how the affordability thresholds discussed in the Affordability and Affordable Housing have been calculated.

Market housing

C.2 Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.

i) Market sales

C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.

C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Lambourn, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.

C.5 The calculation for the purchase threshold for market housing is as follows:

- Value of a median NA house price (2022) = £335,000;
- Purchase deposit at 10% of value = £33,500;
- Value of dwelling for mortgage purposes = £301,500;
- Divided by loan to income ratio of 3.5 = purchase threshold of £86,143.

C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2022 was £298,000, and the purchase threshold is therefore £76,629.

C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records no sales of new build properties in the NA in 2022. It is thus not possible to determine an average for the cost of new build housing in Lambourn specifically. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

C.8 Therefore, an estimate has been calculated by determining the uplift between all house prices in 2022 across West Berkshire and new build house prices in 2022 in the same area. This percentage uplift (or ‘new build premium’) is then applied to the 2022 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £349,401 and purchase threshold of £89,846.

C.9 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across West Berkshire in 2022. The median cost of new build dwellings in West Berkshire was £450,000, with a purchase threshold of £115,714.

i) Private Rented Sector (PRS)

C.10 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.

C.11 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.

C.12 The property website Rightmove shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within a 5-mile radius from the centre of the parish, which covers a slightly different area than the Plan area itself but can be used as a reasonable proxy for it.

C.13 According to Rightmove, there were 13 properties for rent at the time of search in January 2023, with an average monthly rent of £1,300. There were five two-bed properties listed, with an average price of £1,150 per calendar month.

C.14 The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:

- Annual rent = £1,150 x 12 = £13,800;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £46,000.

C.15 The calculation is repeated for the overall average to give an income threshold of £52,000.

Affordable Housing

C.16 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF December 2023 version: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The new First Homes was introduced in 2021 but is at present only mentioned in the NPPF (paragraph 6) with a reference to the Ministerial Statement which introduced the product, and no further detail. Each of the Affordable Housing tenures are considered below.

i) Social rent

C.17 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

C.18 To determine social rent levels, data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Lambourn. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for West Berkshire in Table C-1.

C.19 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£102.11	£119.69	£127.64	£142.83	£119.35
Annual average	£5,310	£6,224	£6,637	£7,427	£6,206
Income needed	£17,681	£20,726	£22,102	£24,732	£20,667

Source: Homes England, AECOM Calculations

i) Affordable rent

C.20 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).

C.21 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

C.22 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for West Berkshire. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.

C.23 Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 50% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£122.73	£147.89	£176.99	£185.22	£148.71
Annual average	£6,382	£7,690	£9,203	£9,631	£7,733
Income needed	£21,252	£25,609	£30,648	£32,073	£25,751

Source: Homes England, AECOM Calculations

i) Affordable home ownership

C.24 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

C.25 In paragraph 66 of the NPPF December 2023 version, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.” There are exemptions to this requirement, including where:

- The provision would exceed the level of Affordable Housing required in an area;

- The provision would significantly prejudice the ability to meet the identified Affordable Housing needs of specific groups;
- A proposed development provides solely Build to Rent homes;
- A proposed development provides specialist accommodation for a group of people with specific needs (such as purpose built accommodation for students or the elderly);
- The development is proposed to be developed by people who wish to build or commission their own homes; or
- The proposed development is exclusively for Affordable Housing, a community-led development exception site, or a rural exception site.

First Homes

C.26 Because First Homes are a new tenure product, it is worth explaining some of their key features:

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

C.27 The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £349,401.

C.28 For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (estimated NA new build entry-level) = £349,401;
- Discounted by 30% = £235,301;
- Purchase deposit at 10% of value = £23,530;
- Value of dwelling for mortgage purposes = £211,771;
- Divided by loan to income ratio of 3.5 = purchase threshold of £60,506.

C.29 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £51,862 and £43,219 respectively.

C.30 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

C.31 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m[23]) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Lambourn.

C.32 Table C-3 shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	41%	77%	55%
NA estimated new build entry-level house price	41%	77%	55%
NA entry-level house price	34%	75%	49%
LA median new build house price	56%	83%	66%

Source: Land Registry PPD; ONS MSOA total household income

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

Shared ownership

C.33 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%) and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

C.34 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.

C.35 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit 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).

C.36 The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £349,401 is £87,350;
- A 10% deposit of £8,735 is deducted, leaving a mortgage value of £78,615;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £22,461;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £262,051;
- The estimated annual rent at 2.5% of the unsold value is £6,551;
- This requires an income of £21,837 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £44,299 (£22,461 plus £21,837).

C.37 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £35,190 and £59,481 respectively.

C.38 Note that all of these income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

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

Help to Buy (Equity Loan)

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

C.41 It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

D.1 In Table D-1 AECOM has calculated, using PPG as a starting point,[24] an estimate of the total need for affordable rented housing in Lambourn over the Plan period. It should, however, 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 polices, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level Affordable Housing need.

D.2 It should also be noted that figures in Table D-1 are largely dependent on information provided by West Berkshire Council in its capacity as manager of the local housing waiting list.

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

Table D-1: Estimate of need for Affordable Housing for rent in Lambourn

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	111	Latest waiting list data made available from West Berkshire Council for the NA
1.2 Per annum	**7.4**	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	78.1	MHCLG 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	30.7%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1 Current number of social renters in NA	374.0	2021 Census number of social renters
2.2.2 Number of private renters on housing benefits	100.1	Housing benefit caseload March 2021 (25.1% of West Berks private renters have housing entitlement), pro rata for NA
2.3 New households unable to rent	23.9	Step 2.1 * Step 2.2
2.4 Per annum	**1.6**	Step 2.3 divided by plan period 2024-2039
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.2 Supply of social/affordable re-lets (including transfers)	**3**	Step 3.1 x NA social rented stock (2.2.1).
NET SHORTFALL OF RENTED UNITS PER ANNUM		
Overall shortfall per annum	**6**	Step 1.2 + Step 2.4 - Step 3.2
Overall shortfall (or surplus) over the plan period	**89.9**	(Step 1.1 + Step 2.3) - Step 3.2 * plan period

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.

D.3 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Lambourn. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. 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.

D.4 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.[25] No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

[25] http://www.ipsos-mori-generations.com/housing.html

Table D-2: Estimate of the potential demand for Affordable Housing for sale in Lambourn

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	399.0	2021 Census number of private renters
1.2 Percentage renters on housing benefit in LA	25.1%	% of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in NA	100.1	Step 1.1 * Step 1.2
1.4 Current need (households)	224.1	Current renters minus those on HB and minus 25% assumed to rent by choice
1.5 Per annum	**14.9**	Step 1.4 divided by plan period
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	78.1	LA household projections for plan period (2018 based) pro rated to NA
2.2 % of households unable to buy but able to rent	12.2%	(Step 1.4 + Step 3.1) divided by number of households in NA estimated in 2020
2.3 Total newly arising need	9.5	Step 2.1 * Step 2.2
2.4 Total newly arising need per annum	**0.7**	Step 2.3 divided by plan period
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of Affordable Housing	9.0	Number of shared ownership homes in the NA (Census 2021).
3.2 Supply - intermediate resales	**0.5**	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	**15.2**	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall (or surplus) over the plan period	228.4	(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period

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.

D.5 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).

D.6 It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable housing policy

D.7 The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

Table D-3: Wider considerations in developing Affordable Housing mix policy

Consideration	Local Evidence
A. **Evidence of need for Affordable Housing**: The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.	This HNA, based on the models above, suggests that the NA requires around 6 units of affordable rented housing and 15 units of affordable home ownership homes per annum over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes. The relationship between these figures suggests that affordable home ownership should be prioritized over affordable rented housing. However, other data in this HNA indicates that most Affordable Housing for sale products are not affordable to the average residents of the NA. Furthermore, when pro-rating Affordable Housing needs figures from the latest Local Authority level HNA Update, this results in an estimated need for 8.65 Affordable Homes per annum for rent and 9.62 homes per annum for sale. Therefore this HNA estimates a range of need of 6-8.6 units of need for affordable rented housing and 9.6-15 units of

	Affordable Housing for sale per annum for Lambourn.
B. **Can Affordable Housing needs be met in full?** How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.	If the Local Plan target of 20-40% (depending on the size of scheme and whether it is built on greenfield or brownfield land) were achieved on every site, assuming the delivery of the NA's target for 25 homes overall in the emerging Local Plan, around 5-10 Affordable Homes might be expected in the NA over Plan period. This level of potential Affordable Housing delivery would not be sufficient to meet all of the need identified, at either end of the estimated range. Furthermore, as the percentage of Affordable Housing delivery in the past 10 years has been zero in Lambourn, likely delivery is expected to be even lower. Therefore, the more urgent and acute need for affordable rented housing should clearly be prioritized.
C. **Government policy (eg NPPF) requirements**: Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.	For 10% of all housing to be affordable ownership in Lambourn, where 20-40% of all housing should be affordable, 25-50% of Affordable Housing should be for affordable ownership. The lower end of this range complies with the guideline tenure split sought in the adopted and emerging Local Plan.
D. **Local Plan policy**:	The adopted Local Plan seeks a tenure split of 70% affordable rent and 30% affordable home ownership, and the emerging Local Plan seeks a tenure split of 25% First Homes, 70% social rented, and 5% shared 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	This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This is unlikely to impact on West Berkshire as neither the adopted nor the emerging tenure split

all Affordable Housing secured through developer contributions are now required to be First Homes. 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. AECOM is aware that some Local Planning Authorities are considering 'top slicing' their Affordable Housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.	seeks more 75% 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 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 Lambourn**: The current stock of homes in an area, in	The current level of Affordable Housing in Lambourn (19.9% of households are living

terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.	in social or affordable renting and 0.5% in shared ownership or another form of Affordable Housing for sale) shows that there is already a sizable proportion of Affordable Housing in the NA at present, and a higher proportion than across West Berkshire as a whole, although the proportion of Affordable Housing for sale is limited. As there is additionally a substantial waiting list of 111 households waiting for Affordable Housing in Lambourn, and only 3 relets during 2023, evidence suggests that affordable rented housing makes up a significant proportion of housing demand and supply.
I. **Views of registered providers**:	It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the NA. The funding arrangements available to housing associations will determine rent levels.
J. Wider policy objectives:	The Steering Group may wish to take account of broader policy objectives for Lambourn and/or the wider District. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided. The adopted and emerging Local Plan designates Lambourn as a rural service centre and an important area for horseracing. The emerging Local Plan sees the function of Lambourn in terms of housing as a location for infill or changes of use within the settlement boundary; Non-strategic site allocations; and rural exceptions Affordable Housing schemes.

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Lambourn

	Name	Description	Dwellings	Tenure	Type
1	Harris Close	1-2 bedroom flats	29	Social rent	Retirement housing
2	St Michaels Close	1-2 bedroom flats and cottages	13	Leasehold purchase	Retirement housing
3	The Park	2 bedroom bungalows	26	Social rent	Retirement housing

Source: http://www.housingcare.org

Table E-2: Tenure and mobility limitations of those aged 65+ in Lambourn, 2011 (65+ is the closest proxy for 75+ in this data)

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	**145**	**20.1%**	**157**	**21.8%**	**418**	**58.1%**
Owned Total	**77**	***16.5%***	**97**	***20.8%***	**292**	***62.7%***
Owned outright	60	15.7%	76	19.9%	245	64.3%
Owned (mortgage) or shared ownership	17	20.0%	21	24.7%	47	55.3%
Rented Total	**68**	***26.8%***	**60**	***23.6%***	**126**	***49.6%***
Social rented	51	28.7%	45	25.3%	82	46.1%
Private rented or living rent free	17	22.4%	15	19.7%	44	57.9%

Source: DC3408EW Health status

HLIN calculations

Table E-3: Recommended provision of specialist housing for older people from the HLIN SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

E.1 As Table 6-1 in the main report shows, Lambourn is forecast to see an increase of 275 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 x .275 = 17
- Leasehold sheltered housing = 120 x .275 = 33
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = 20 x .275 = 6
- Extra care housing for rent = 15 x .275 = 4
- Extra care housing for sale = 30 x .275 = 8
- Housing based provision for dementia = 6 x .275 = 2

Appendix F : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

Assessing affordability involves comparing housing costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority (LQAR) as well as median house price to median earnings by local authority (MAR) e.g. income = £25,000, house price = £200,000. House price: income ratio = £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 methods[26].

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard[27]

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

[26] The Tenant Services Authority has issued an explanatory note on these methods at http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf
[27] See https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report

hallways). This tends to produce higher levels of overcrowding/ under occupation. A detailed definition of the standard is given in the Glossary of the EHS Household Report.

Co-living

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

Community-led developments (NPPF definition)

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

Community Right to Build Order[28]

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)[29]

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

Equity Loans/Shared Equity

[28] See https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary
[29] See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years[30], i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

An output area is the lowest level of geography for publishing statistics, and is the core geography from which statistics for other geographies are built. Output areas were created for England and Wales from the 2001 Census data, by grouping a number of households and populations together so that each output area's population is roughly the same. 175,434 output areas were created from the 2001

[30] See https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/

Census data, each containing a minimum of 100 persons with an average of 300 persons. Lower Super Output Areas consist of higher geographies of between 1,000-1,500 persons (made up of a number of individual Output Areas) and Middle Super Output Areas are higher than this, containing between 5,000 and 7,200 people, and made up of individual Lower Layer Super Output Areas. Some statistics are only available down to Middle Layer Super Output Area level, meaning that they are not available for individual Output Areas or parishes.

Overcrowding

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing[31]

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes')

[31] See http://www.housingcare.org/jargon-sheltered-housing.aspx

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.[32]

[32] See http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing

aecom.com

aecom.com