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Housing Needs Assessment (HNA)

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Quality information

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Table of Contents

1. Executive Summary 6
Overall summary 6
Conclusions- Tenure and Affordability 7
Conclusions- Type and Size 9
Conclusions- Specialist Housing for Older People 12
2. Context 16
Local context 16
The Housing Market Area Context 20
Planning policy context 21
Policies in the adopted local plan 21
The emerging local plan 22
Quantity of housing to provide 23
3. Approach 25
Research Questions 25
Tenure and Affordability 25
Type and Size 25
Specialist Housing for Older People 26
Relevant Data 26
4. RQ 1: Tenure, Affordability and the Need for Affordable Housing 28
Introduction 28
Current tenure profile 29
Affordability 30
House prices 30
Rents 32
Incomes and work patterns 32
Affordability Thresholds 35
Affordable housing- quantity needed 43
Affordable Housing policy guidance 44
Conclusions- Tenure and Affordability 49
5. RQ 2: Type and Size 53
Introduction 53
Existing types and sizes 53
Background and definitions 53
Dwelling type 54
Dwelling size 55
Future pipeline 56
Age and household composition 57
Age structure 57
Household composition 58
Occupancy ratings 59
Dwelling mix determined by life-stage modelling 60
Suggested future dwelling size mix 60
Size by tenure 64
Conclusions- Type and Size 65
6. RQ 3: Specialist housing for older people 69

Introduction 69
Current supply of specialist housing for older people 70
Tenure-led projections 71
Housing LIN-recommended provision 74
LHNA findings and limitations 76
Conclusions- Specialist Housing for Older People 77
7. Next steps 80
Appendix A : Calculation of Affordability Thresholds 81
A.1 Assessment geography 81
A.2 Market housing 82
i) Market sales 82
ii) Private Rented Sector (PRS) 84
A.3 Affordable Housing 85
i) Social rent 85
ii) Affordable rent 85
iii) Affordable home ownership 86
Appendix B: List of specialist housing schemes 89
Appendix C: Housing Needs Assessment Glossary 91

List of acronyms used in the text:

BCP	Bournemouth, Christchurch and Poole
DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG)
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes Christchurch Parish is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHNA	Local Housing Needs Assessment (a HNA at Local Authority scale and above)
LPA	Local Planning Authority
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RQ	Research Question
VOA	Valuation Office Agency

1. Executive Summary

Overall summary

1. The rising cost of housing in Christchurch Parish is a key challenge facing local people, particularly young people who cannot afford their own homes, growing families who need to move within the area, and people in financial difficulty waiting to be housed by the Council. House prices are 53% higher than they were 10 years ago, and a household on the average income with no additional savings can only afford a flat.
2. A further problem is the lack of affordable housing (meaning specific types of housing that are subsidised by the Council rather than simply cheaper homes on the market). Little of this has been built in recent years or is planned in the near future, despite an estimated need for 116 new affordable rented homes every year in the parish. There is also an estimated need for 85 homes per year to be offered with some form of discount or extra support to allow first-time buyers to own their own home. The Neighbourhood Plan can advise what level of discount might be needed for the new form of housing called First Homes that is designed to do this. This research suggests that the maximum discount of 50% is necessary in Christchurch parish to make First Homes genuinely affordable to local people, although they can be made cheaper if offered as smaller flats. All forms of affordable housing are desperately needed in the parish, and priority should be given to rented options for people struggling the most financially.
3. Housing in Christchurch parish is fairly well-balanced in terms of type and size. There are roughly similar numbers of homes that are flats, bungalows, terraces, semi-detached and detached. The mix of home sizes (in terms of the number of bedrooms each home has) is fairly similar to the pattern across England as a whole, with lots of 3 bedroom homes, a good number of smaller homes with 1-2 bedrooms, and slightly fewer large homes with 4 or more bedrooms. Most new homes built in recent years and planned in future are terraces or smaller flats, which should help to make market housing more affordable. The research suggests that most homes to be built in the next few decades should have 2-3 bedrooms, and that there should be as much variety within this as possible, helping to accommodate downsizing older households as well as young people and families. 1 bedroom and 4+ bedroom homes should also be delivered, though in lower amounts and many of them may be needed as affordable rented homes.
4. Christchurch parish has an ageing population, and this trend is expected to continue in future years. Some older people will be happy in their current homes, others will want to downsize, and some will need housing specially designed for their needs – either being accessible to people with disabilities or offering support from onsite carers. There is already quite a lot of specially designed older people's housing in Christchurch (around 1,000 homes), but much more could still be needed – potentially over 500 homes by 2039. There is a particular need for extra care housing (with onsite carers) because there is not much of this at the moment. People with less severe needs, such as limited mobility, might

also be served by new homes that have the potential to be adapted with wide corridors, entry ramps, and other features.

Conclusions- Tenure and Affordability

Affordability issues

5. Christchurch's 2011 tenure mix shows a lower rate of home ownership (70%) than the former Borough but a higher rate than the country as a whole, and a proportion of social rent (17%) again falling between the two wider averages. Of the 35 new homes built in the last two years and 121 in the near-term pipeline, none are to be offered in Affordable Housing tenures, suggesting that the mix continues to be rebalanced towards market tenures since the Census.

6. Home values in Christchurch have risen steadily over the past decade, with the result that the median home now costs 53% more than in 2012 and prices are increasing nearly four times faster than wages. A median home currently costs £375,000 and an entry-level home currently costs £274,000.

Tenure options

7. AECOM has estimated the annual income required to afford various tenures of housing in Christchurch Parish – each of which is explained in detail in Appendix A. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward.

8. The average household income in Christchurch was £38,500 in 2018, and the lower quartile income (per person) for Dorset was £16,151 in 2020. 59% of the working population of Christchurch Parish travel more than 2km to work, suggesting a high rate of commuting, primarily to Bournemouth.

9. It was found that a household would need an income comfortably above the average (substantial equity in another home or a very large deposit) to qualify for a mortgage even for an entry-level home or flat in the area. Home ownership through the mainstream market is not an option for the majority of local people who do not already own. The median house price would require an annual income nearly three times the current average.

10. Private renting is potentially affordable to average earners and households with two lower earners, both of whom appear able to afford a 1 bedroom rental property. The annual income required for a 2 bedroom home exceeds the capability of average earners, and larger rental homes are therefore even further out of reach – a particular challenge for large families who cannot afford to buy a house but are also not eligible for subsidised Affordable Housing and therefore need to rent.

11. There is a relatively large group of households in Christchurch who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £33,000 per year (at which point entry-level rents become affordable) and £70,000 (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.

12. However, the income required to access any of the products considered (benchmarked against the equivalent open market value of a new entry-level home in BCP) exceeds the average household income in Christchurch, with the exception of shared ownership at the lowest possible equity share. Other forms of First Homes and shared ownership do bring down the threshold for home ownership from £70,000 to just over £40,000, which certainly widens access to ownership to a larger group of people. However, the benefits accrue only to above average earners, leaving lower earners reliant on relatively unaffordable private rents or subsidised Affordable Housing if eligible. The affordability of First Homes if they are able to be brought forward in the form of flats at current (existing rather than new build) prices, creates a more optimistic picture of affordability. This may be considered the target form for First Homes to take in order to most meaningfully widen access to home ownership, although it is not necessarily guaranteed that this will be possible.

13. Neighbourhood plan qualifying bodies have discretion to increase the discount on the new First Homes product from 30% to 40% or 50% where there is evidence to suggest this is appropriate. This HNA finds that the highest possible discount level of 50% would be necessary from an affordability perspective in Christchurch, although this has potential implications on development viability and may need to be discussed with BCP Council.

14. Affordable rented housing appears generally affordable to households with two lower earners (average earning households are unlikely to be eligible). However, households with a single lower earner are unable to afford any of the tenures considered except for smaller socially rented units. Many such individuals will, if unable to secure a social rented dwelling or additional subsidy, need to live in a room in a shared house rented from a private landlord using housing benefit. The affordable rented sector performs a vital function in Christchurch as the only option for a large segment of those in the greatest need.

Quantity of Affordable Housing needed

15. The Dorset and BCP Local Housing Needs Assessment (LHNA) 2021 identifies a net annual need of 277 affordable rented housing units and 202 affordable home ownership units for the BCP Inner East sub-area, which covers Christchurch, Highcliffe and parts of Hurn and Burton and Winkton parishes (Tables 7.28 and 7.39). The proportion of BCP's overall needs attributed to Inner East in the LHNA is 17% for affordable rent and 20% for affordable home ownership.

16. It is possible to pro-rate these numbers to determine broadly what share of the wider area's needs might be attributable to Christchurch based on population statistics. Approximately 42% of the Inner East population live within Christchurch Parish.

17. On the basis that Christchurch Parish's share of the Inner East population is broadly equivalent to its share of Inner East's Affordable Housing needs, Christchurch has an estimated annual need for 116 affordable rented units and 85 affordable home ownership units. To the end of the Neighbourhood Plan in 2039 (assuming a start date in 2020), the total potential need is for 1,972 affordable rented units and 1,445 affordable home ownership units. BCP Council figures for the current backlog of need on the Affordable Housing register (615 applicant households in Christchurch as at July 2022), and from the Help to Buy register (214 applicants across BCP as a whole) are in broad alignment with these estimates.

Policy considerations

18. BCP's adopted policy KS4 aims for 35% of all new housing to be affordable. Policy LN3 is more specific and ambitious in expecting all developments of more than 10 net additional dwellings to provide up to 50% Affordable Housing (on greenfield sites) and 40% (on brownfield sites). Given that no Affordable Housing was delivered in the last two years and none is expected on currently committed sites, it would appear that these targets are not usually met on sites in Christchurch Parish. It is assumed that this is primarily due to issues of development viability, with high land values and a predominance of brownfield sites in the town, which tend to have existing uses and higher starting values.

19. 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 very high need for Affordable Housing in Christchurch Parish, and every effort should be made to maximise delivery where appropriate.

20. On the balance of factors listed in the Policy Guidance section of this chapter, AECOM recommends that roughly 70% of Affordable Housing should take the form of rented tenures such as social and affordable rent (preferably the former), with the remaining 30% as affordable routes to home ownership, fulfilling the requirements of the new First Homes product. This split, weighted more strongly in favour of renting than the need figures derived from the LHNA would suggest, has been selected to prioritise social renting above the proportion suggested by the estimates of need due to significant anticipated limitations on delivery, as well as the fact that affordable home ownership products are found to only widen access to ownership to above average earners.

21. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing. Adopted policy for former Christchurch Borough allows for exception sites around Christchurch specifically. While such land is likely to have Green Belt protection, the policy on this subject suggests that Green Belt must allow "an area of open land" and protect settlements from merging, and as such can be interpreted as allowing for some development on exception sites. Certainty on this point should be sought from BCP Council if relevant.

Conclusions- Type and Size

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

The existing stock

23. Christchurch has a relatively balanced mix of dwelling types, with a fairly even breakdown of different types. At 22%, bungalows exist at more than double the national average. Christchurch Parish also deviates from BCP averages in having a lower concentration of flats than Bournemouth and Poole. The picture in terms of dwelling sizes is relatively well-aligned with national averages, with a large number of 3 bedroom properties and slightly higher proportions of smaller homes than England (though not than the local area, given its concentration of flats).

24. Recent development has predominantly taken the form of flats and terraced houses, a trend that is likely to have had positive implications on affordability. The future pipeline (as currently known) is composed of 78 houses and 43 flats, with a large number of 1 bedroom properties and few 3 bedroom homes. The breakdown of committed developments adds welcome diversification to the type and size mix, although (as noted in the preceding chapter) it consists entirely of market housing. While flatted development can improve the vitality of urban areas and help to meet the need for more (and more affordable) housing, the space standards and degree of genuine affordability of these homes may warrant further investigation. A fairly significant proportion of flatted units and bungalows are age-restricted or offer extra care to older households.

Demographics

25. The age structure of the population is a key indicator of the future need for housing. Christchurch Parish had a slightly younger population profile than Christchurch Borough but a significantly older one than England in 2011. Since then, estimated population change in the parish has been driven almost exclusively by older people, with double-digit percentage growth rates for the 65-84 and 85+ age bands while all younger age bands make up a lower proportion of the overall population than they did in 2011.

26. Applying household projections to the Christchurch population suggests that by 2039 the 65+ group could increase by 45% to become by far the largest age group at 49% of the total, while every age group below 54 years contracts. Older people could become the largest source of demand for housing, whether they intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving needs.

27. This is, at least, the default demographic scenario if interventions are not made to create greater balance between age groups and household types. It can be assumed that the housing stock in Christchurch, notably the large proportion of bungalows, is a factor in the large number and recent growth in the older population. By the same token, an increase in dwelling types and sizes that tend to attract growing families (such as mid-sized homes with outdoor space) and allow young people to remain in the area (including smaller flats and affordable housing tenures) could have an impact on how Christchurch Parish's demography evolves. There are other important factors connected to this topic, notably affordability and the availability of employment suited to different groups, but the dwelling type and size mix may be an area of focus if demographic change is an objective of the community.

28. Of Christchurch's family households, more have dependent children than no children and there is a significant proportion of households with non-dependent (i.e. older) children still living at home. That category expanded by 12% between 2001 and 2011, and the 'other' category (including HMOs, multigenerational families and students) also expanded by 31% over the same period. Both of these trends are generally seen to indicate affordability pressures.

29. Christchurch has a high rate of under-occupancy, with 70% of people living in a home with at least one bedroom more than they would be expected to need. This is not unusual locally or nationally, and can also enable occupants to re-purpose bedrooms for work or hobbies. Over occupancy is most common among families aged over 65 or without any children, and is also slightly more common among older single people than younger ones. These patterns might suggest that Christchurch's larger housing is often occupied by people with comparatively more wealth or by older people who have not chosen or be able to move to smaller properties, rather than large families with many children. Churn within the housing stock, allowing larger properties to be occupied by larger households, may be something to encourage through delivering a diverse range of new homes that widen choices for all groups.

The future dwelling mix

30. The results of a life stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the Plan period, suggests that the current mix of dwelling sizes in Christchurch is close to the target mix of dwelling sizes that would be needed if the population evolved as expected and current patterns of occupancy persisted. To accommodate slight movements closer to that target state, the model suggests that most new homes have 2-3 bedrooms, with some 4 bedroom homes and relatively few at the small and large ends of the size spectrum.

31. The result of this model is a relatively blunt measure of what could be beneficial in future years. It is a starting point for thinking about how best to address the more nuanced needs of the future population. Key areas of flexibility include:

    - Less 1 bedroom housing and more larger housing (ideally of a kind that is affordable to those with less buying power) should be reflected in the baseline mix to respond to recent and forthcoming delivery patterns. This is a general recommendation informed by the overrepresentation of 1 bedroom housing currently, and therefore should not inhibit the development of further 1 bedroom housing if this is needed by those on the register for affordable housing in particular;
    - The young starter families and downsizing older households whose needs are perceived to be unmet to some degree in Christchurch may both need 'mid-sized' homes, but are likely to have extremely different requirements (including the degree of accessibility, amount of outdoor space, proximity to local amenities) and degrees of purchasing power;
    - It should be considered whether the existing options for older people (notably the large number of bungalows) are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Facilitating downsizing among

older households may release larger homes (bungalows and otherwise) for use by families who need more space, subject to affordability considerations;

- The preceding chapter found that affordability is a serious and worsening challenge in Christchurch Parish. 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 – particularly young and newly forming households. Continuing to provide smaller homes with fewer bedrooms would help to address this situation, as would rooms in shared houses (HMOs); and
- The LHNA provides three recommended size mixes for the Christchurch area for three overarching tenure categories. The HNA recommendation aligns fairly closely with the market housing recommendation but it is clear that there is likely to be more demand for 1 bedroom properties from those eligible for Affordable Housing. The LHNA mix – corroborated by affordable housing waiting list data provided by BCP Council – suggests that a greater supply of 1 bedroom homes may be needed, and that this category should be targeted primarily at those in affordable tenures.

32. There is no precise way to quantify how the initial HNA size mix should change to reflect the above factors, some of which point in opposite directions. However, on the basis of AECOM's professional judgement and the imperative for simplicity and applicability (in terms of rounding), a final mix is proposed as follows. The 1 and 4+ bedroom homes are particularly needed in affordable housing tenures, and the proportions indicated here may need to increase in response to the evolving needs expressed on the affordable housing register.

- 10% 1-bedroom
- 40% 2-bedrooms
- 35% 3-bedrooms
- 15% 4+ bedrooms.

33. In terms of dwelling type, this study cannot be prescriptive about what types are 'needed', but there is a balance to be struck between, on the one hand, improving choice in the market by encouraging types that are less plentiful at present, and, on the other hand, responding to the clear affordability challenge and ageing of the population by supplying smaller flats, enabling HMOs, and expanding the specialist stock for older people.

Conclusions- Specialist Housing for Older People

Demographic trends and the quantity of accommodation needed

34. There are approximately 1,021 units of specialist accommodation in Christchurch at present. This equates to roughly 216 units per 1,000 of the current 75+ population (a common measure of the rate of specialist housing provision).

35. The current stock of specialist properties is split 60% to 40% between social rent (classified as rented from a social landlord though in some cases this may be affordable rather than social rent) and market ownership (primarily leasehold). The picture is less

well-balanced when it comes to the level of care available. 95% of specialist dwellings have no or minimal onsite care, and the 56 units that do offer extra care are all within the social rented stock. That said, there are a further 263 bedspaces in care homes across Christchurch Parish, which could help to meet any need among the older population requiring care and having either the funds to pay for a care home or state support.

36. ONS 2020 population estimates suggest that there are currently around 4,716 individuals aged 75 or over in Christchurch. This is projected to grow to 6,478 by 2039.

37. 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 Christchurch Parish. This can be sense-checked using a toolkit based on national research and assumptions.

38. These two methods of estimating the future need in Christchurch produce a range of 565 to 781 additional specialist accommodation units that might be required to 2039 (with a base date of 2011). These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated in the existing stock of specialist housing or through adaptations to their own homes. If this is found not to be the case, it would justify aspiring to meet the upper bound of the range identified here.

39. It is also relevant to note two caveats that would justify a focus on the lower end of this range. First, the pool of additional older households is taken from a baseline in 2011 rather than 2022, some of whom may have been accommodated in the existing stock, any new supply (though none is indicated in BCP monitoring data) or through adaptations to their own homes. Second, the BCP LHNA's assessment of need for the wider local authority area is low relative to the findings here for Christchurch.

40. The provision of 565 additional specialist dwellings represents an increase of 55% on current levels. This is relatively large in a short space of time, although it does reflect the ever-accelerating ageing of the population both nationwide and locally. This estimate represents the potential demand that might ideally be met rather than a firm requirement.

41. It is important to note that this estimate of need has an unspecified degree of overlap with any overall housing target for Christchurch. It is not additional to any such target, but it would also not necessarily be appropriate for 565 units of any total target to be dedicated to specialist housing leaving the remainder for other forms of housing. A judgement needs to be made when the housing target for Christchurch is confirmed about how far each of the components of need, notably specialist housing and affordable housing, can be accommodated within the overall figure and how they should be weighted. Given the scale of potential need for specialist housing identified here, it may need to be accepted that not all of the need can be delivered, with priority potentially being given to other forms of housing, or to the need to provide balance and choice in the housing supply overall.

42. Regarding the pipeline supply of specialist accommodation, a list of relevant Local Plan sites provided by BCP council suggests that one site (Fairmile House, Tasman Close) is earmarked for care or retirement provision with a capacity of 52 units. The snapshot of committed sites that were not yet complete or started in 2019-21 monitoring years counts

no specialist units but does tally 22 care home spaces across three different developments. In addition, a forthcoming retirement development of 40 leasehold age-exclusive properties on Bridge Street, is also advertised as completing in 2023 on the housingcare.org website. It is apparent that some further provision of specialist accommodation in the near term can be expected, but the quantity that is currently identified will make little impact on the potential scale of need identified here.

Characteristics of need for specialist housing

43. The overall range described above includes housing at various levels of support as well as both market and affordable housing. The split between market and affordable dwellings will likely be required to follow the split set in the Local Plan for all housing (35% affordable), rather than being considered separately for specialist accommodation. 35% falls between the proportion of affordable need in the two estimates in the analysis of older people's needs (18% and 36%), and would appear to be broadly appropriate. The Affordable Housing waiting list data provided by BCP Council does not disaggregate applicant households who are over 55 or have support needs. If this is captured in future monitoring it will provide helpful insight about the suitability of the default Local Plan tenure mix.

44. The balance between retirement (age-limited) housing and housing with extra care (such as an onsite carer) in the two estimates provided here is similar, with extra care making up 28% in one estimate and 43% in the other. This suggests broadly that more of the need is for retirement housing than extra care housing. However, as noted above, the existing stock of specialist housing is 95% retirement housing to 5% extra care. Despite the existence of 263 care home bed spaces it would appear that there is a clear gap in the market for independent living options with onsite additional care in Christchurch. The current absence of this form of accommodation would justify a significant increase, and a greater emphasis on this type insofar as addressing the existing imbalance can be influenced by Neighbourhood Plan policy.

Accessibility standards

45. The larger quantity of need for retirement (as opposed to extra care) housing is by definition driven by those with less severe support needs, which have the potential to be met though adaptations to the existing housing stock.

46. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period (at least relative to the range of need identified here), another avenue open to the Neighbourhood Plan is to aim for standards of accessibility and adaptability in new development to be met at more ambitious levels than currently mandated. However, this is a key area of focus for the emerging BCP Local Plan, which recommends a policy requirement for all homes to meet category M4(2) of building regulations for accessibility, and 10% of homes meet the M4(3) standard for wheelchair accessibility.

47. With this ambitious target there appears to be little justification for the Christchurch Neighbourhood Plan to diverge (an option that would in any case require the support of BCP). However, the evidence here would further support this policy avenue at local

authority scale, and this may be something that the Neighbourhood Plan may wish to echo.

2. Context

Local context

48. Christchurch is a Neighbourhood Plan area located in the Unitary Authority of Bournemouth, Christchurch and Poole (BCP) in Dorset. The Neighbourhood Area (NA) boundary follows that of the new parish of Christchurch, which was created along with its Town Council in April 2019. Christchurch Parish boundary itself was formally designated by BCP Council in January 2021. References to 'Christchurch' throughout this report relate to the designated NA rather than the built-up area of the town itself, or the former local authority area, unless stated otherwise.

49. This report has been drafted on the basis of a potential Neighbourhood Plan period that extends to 2039 in line with the end date of the emerging BCP Local Plan. For the purpose of the calculations in this report, the Neighbourhood Plan is assumed to have a start date of 2022, and thus would comprise a planning period of 17 years. The evidence supplied in this report will look forward to the potential plan end date of 2039, but where possible will also provide annualised figures which can be extrapolated to a different term if the period changes.

50. Christchurch is located on the south Dorset coast along the east bank of the River Stour and is bisected by the River Avon where it joins the Stour to reach the English Channel through Christchurch Harbour. It lies approximately 5 miles to the east of the large seaside resort town of Bournemouth. Both Christchurch and Bournemouth are served by the A338, which provides road access to Salisbury to the north and Southampton and Portsmouth to the east via the A31 and M27. Christchurch's railway station is on the South West Main Line running from London Waterloo to Weymouth.

51. Christchurch town is a historic market, trading and fishing community. It is home to a number of important landmarks, including Christchurch Priory, Christchurch Harbour, and the Old Castle and Keep, as well as a range of other listed buildings and historic assets. Residents and visitors have access to a wide range of amenities, facilities and local businesses, including over 200 shops.

52. Constraints on development include the South East Dorset Green Belt, the proximity of Christchurch to Bournemouth, 12 designated Conservation Areas within the town, and Christchurch Parishtural barriers of two rivers and the coastline. Consequently growth has tended to be concentrated north of the town and in the higher-density development of brownfield sites.

Geography and headline statistics

53. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units called Output Areas (OAs) and their higher-order equivalents: LSOAs (larger than OAs) and MSOAs (larger than LSOAs). The Plan area equates to the following OAs, which have been used throughout as a statistical proxy for Christchurch Parish boundary and which can be interrogated for data from both the 2001 and the 2011 Censuses.

- MSOA E02004237
- MSOA E02004240
- MSOA E02004241
- MSOA E02004242
- OA E00103188
- OA E00103193
- OA E00103194
- OA E00103195

54. It is important to note that some important datasets beyond the Census, notably Office for National Statistics (ONS) population estimates and Valuation Office Agency (VOA) data on the housing mix, cannot be interrogated down to OA level. Instead, a combination of LSOAs and MSOAs must be used. In the case of Christchurch, the best available proxy using this method is to combine the four MSOAs listed above with the single LSOA (E01020362) that includes the four OAs listed above. That LSOA includes five OAs in total, so only one OA located beyond the parish boundary is included. This OA covers the large rural area directly to the north of Christchurch within Hurn parish, but represents a relatively small and dispersed population. The population of the four OAs in the 2011 Census was 1,095 and the population of the LSOA was 1,596, so residents of Christchurch represent roughly 69% of the LSOA population. The number of dwellings in the four OAs was 561, and the number in the LSOA was 765, so 73% of the LSOA's dwellings are located in Christchurch.

55. The statistics show that in the 2011 Census Christchurch Parish had a total of 30,393 residents, formed into 13,430 households and occupying 14,486 dwellings (with the difference representing homes with no usual occupant, i.e. vacant homes, second homes and holiday lets).

56. As noted above, ONS produces mid-year population estimates for parishes and L/MSOAs throughout the country. The mid-2020 population estimate for the composite area described above is 32,475. If only 69% of the LSOA population is included, a more accurate estimate of 31,959 is produced. This suggests that the population of Christchurch has risen by 1,566 or 5% since 2011.

57. It is worth noting that the ONS figure described here 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.

58. The total number of dwellings can be brought up to date in the same way using the aforementioned VOA data. The 2021 VOA data counts 15,380 dwellings in the entire composite area. If only 73% of the LSOA's dwellings are included, a more precise estimate of 15,145 results. This suggests that the number of homes in Christchurch has risen by 894 or 6% since 2011. This is broadly in line with the population growth discussed above. (The number of completions recorded by BCP Council since 2011 would provide a sense-

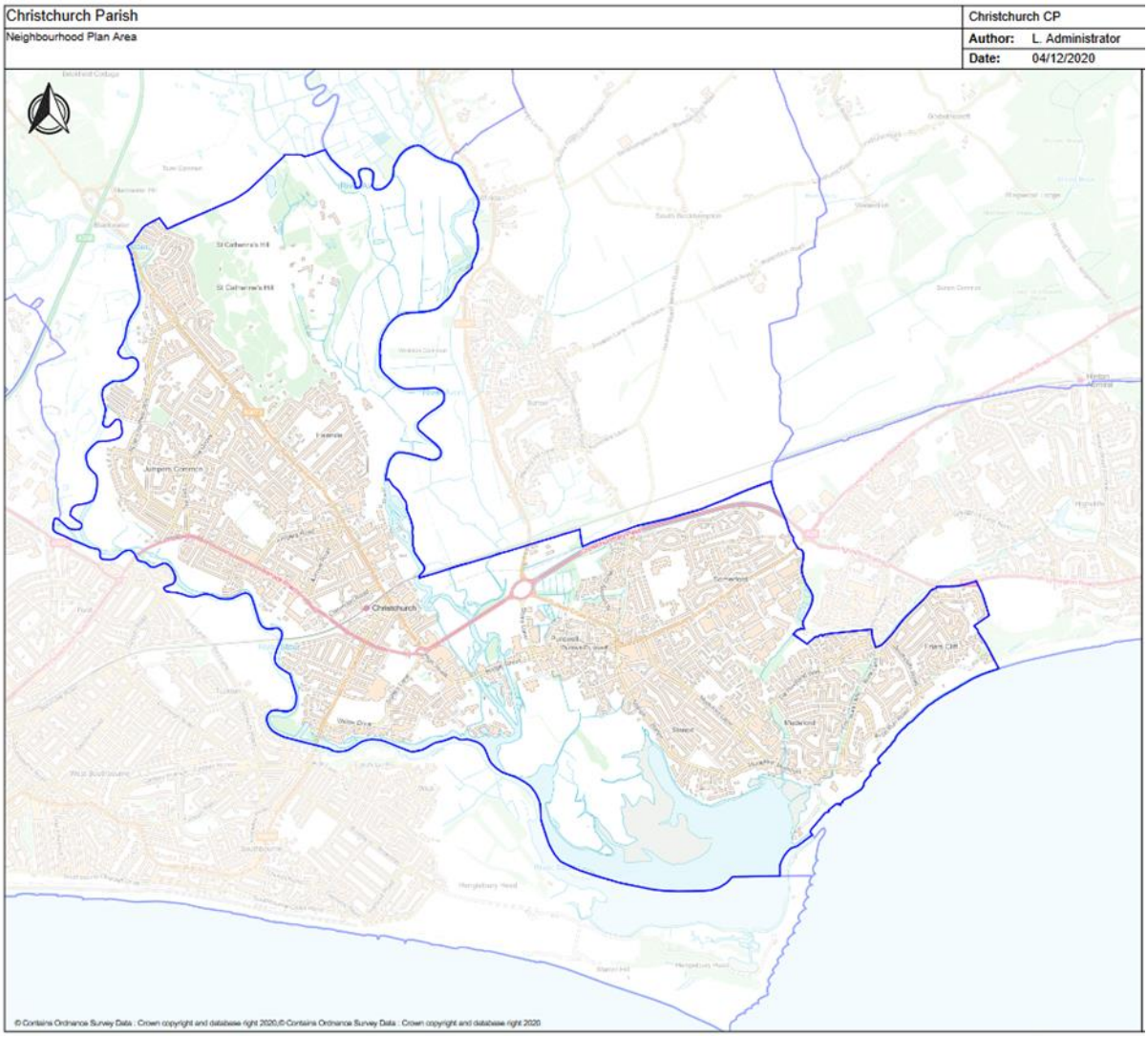
check of this data but is not available due to changes in how and at what level this data has been recorded in recent years.)

59. Note that the methods used here to ascertain the total number of people and dwellings cannot be used when looking at the breakdown of those datasets by age group and housing type and size. For those elements of the report, the composite area including the whole LSOA will need to be used.

60. Note also that details of the dwellings completed in Christchurch Parish since the 2011 Census have been requested from BCP Council but could only be provided in incomplete form (only since 2015 and for an imperfect combination of wards) because of changes in how this is recorded, who records it, and the relatively recent creation of the parish. Reference to this data will be made where relevant for context about more recent trends, but it cannot be used for a fully up-to-date picture of the housing stock. VOA data is used for that purpose.

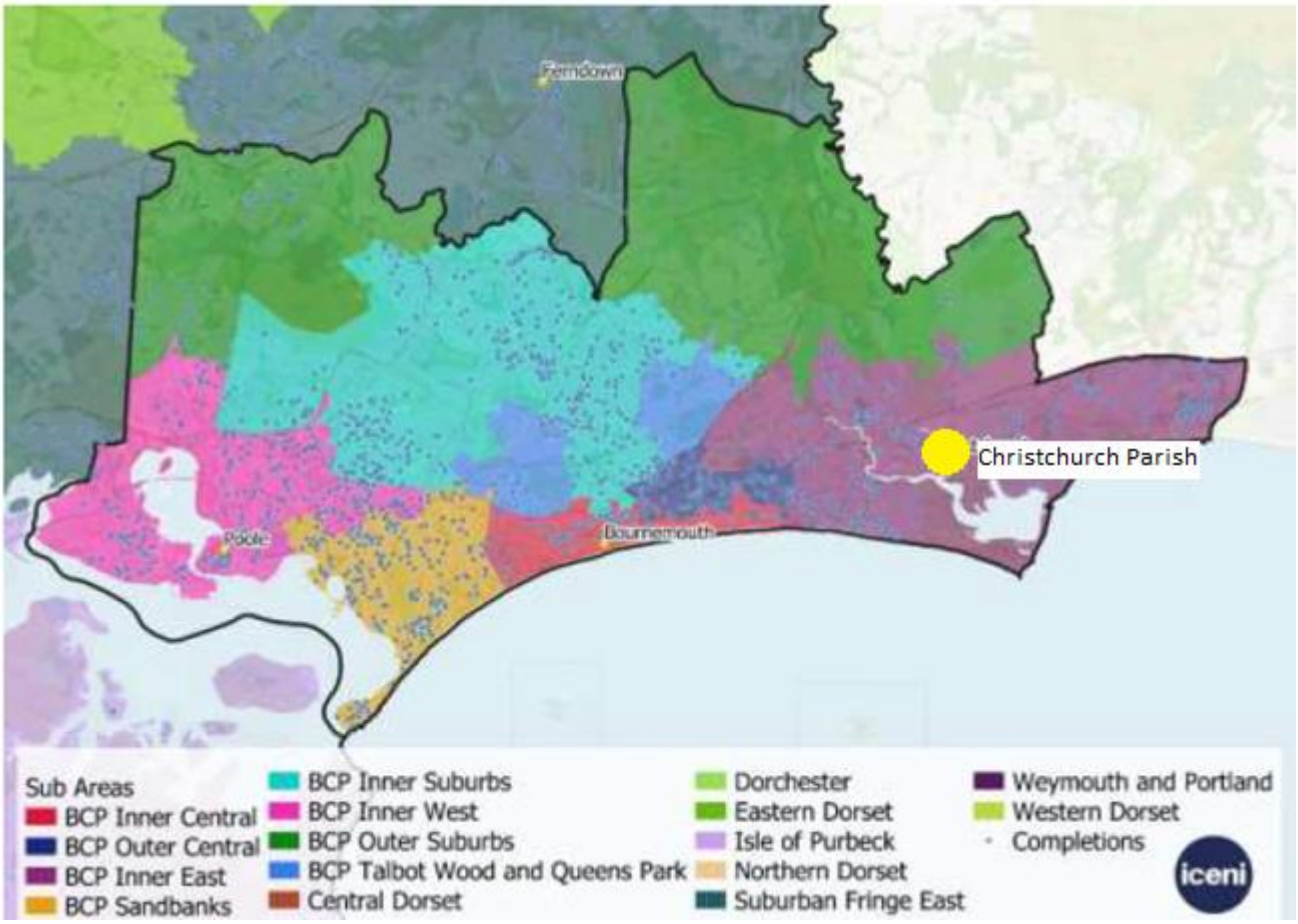
61. A map of the Plan area appears in Figure 2-1. Figure 2-2 reproduces a map from the BCP and Dorset Local Housing Needs Assessment (LHNA) 2021, which shows the sub-areas analysed. The sub-area that includes Christchurch is BCP Inner East, shaded in purple. It will be relevant throughout this HNA to reference findings from the BCP and Dorset LHNA for this sub-area.

Figure 2-1: Map of the Christchurch Neighbourhood Plan area



Source: BCP Council

Figure 2-2: Map of the BCP and Dorset LHNA sub-areas



Source: BCP and Dorset LHNA, annotated to show location of Christchurch Parish

The Housing Market Area Context

62. Whilst this HNA focuses on Christchurch neighbourhood area it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas. In the case of Christchurch, Christchurch Parish sits within a housing market area which covers the entire new combined BCP authority, though the LHNA acknowledges a degree of overlap with the Dorset housing market area. This means than when households who live in BCP (and to a lesser extent Dorset) move home, the vast majority move within this geography. However, the housing market area also has links to other neighbouring areas however.

63. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Christchurch, are closely linked to other areas. In the case of Christchurch, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. Of particular relevance in this case is neighbouring Bournemouth as well as the adjoining area of Hampshire.

64. In summary, Christchurch functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (BCP), 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 play 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

65. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.[1] Relevant policies are reviewed in this section.

66. The BCP Unitary Authority, formed in 2019, is in the process of preparing a new Local Plan. The latest timeline looks ahead to adoption in early 2024. The current stage of the process is a consultation on an Issues and Options document which closes in March 2022. The Issues and Options document (provided as an interactive web page) identifies the key issues the Local Plan should address and some options and recommendations. It will be followed by the first version of the draft Plan, currently anticipated for Winter 2022.

67. Until the new Local Plan reaches adoption, the relevant Local Plan is the Christchurch and East Dorset Local Plan Part 1 – Core Strategy, adopted in April 2014, and covering the period to 2028. A number of saved policies from the Christchurch Local Plan (2001) also remain in force, although these mainly pertain to environmental protections, how development is controlled in the Green Belt, and site allocations that remain valid. None of the saved policies have direct or significant relevance to housing need.

Policies in the adopted local plan

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

Table 2-1: Summary of relevant adopted policies in the Christchurch and East Dorset Local Plan – Core Strategy 2014

Policy	Provisions
KS2: Settlement Hierarchy	Christchurch is designated as one of five 'Main Settlements', which will provide the major focus for residential and other forms of development, including infill and some greenfield development. There are five lower categories in the settlement hierarchy.
KS3: Green Belt	The Green Belt will protect the separate physical identity of individual settlements and maintain an area of open land around the conurbation.

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

Policy	Provisions
KS4: Housing Provision in Christchurch and East Dorset	Around 8,490 new homes are to be provided between 2013 and 2028 across the plan area. This is broken down into 5,000 new homes in existing urban areas and 3,465 provided as new neighbourhoods, including at Christchurch. 35% of new homes are expected to be in Affordable Housing tenures.
CH1: Christchurch Town Centre Vision	Christchurch will continue to act as the key town centre in the (former) Borough and the main focus for retail development. This policy outlines a number of provisions for retail, the economy and the public realm.
CH2: Christchurch Town Centre Boundary	The Town Centre boundary as defined in the Local Plan is to be the focus for employment, retail, leisure, business and higher density residential uses.
CN1: Christchurch Urban Extension	Land south of the railway line to the east of Salisbury Road is identified for a strategic urban extension and will be released from Green Belt. Around 950 dwellings will be delivered on the site along with a local centre and non-residential uses. 35% of the housing should be affordable. The supporting text notes that there is capacity to build approximately 2,250 new homes in the Christchurch urban area and 995 in the new neighbourhoods over the plan period to 2028. This is informed by the Bournemouth and Poole SHMA 2012 and SHLAA 2012.
LN1: The Size and Type of New Dwellings	The size and type of new market and affordable dwellings will reflect current and projected local housing needs identified in the latest Strategic Housing Market Assessment.
LN3: Provision of Affordable Housing	All net residential developments of over 10 dwellings or 1,000 sqm should provide up to 50% affordable housing on greenfield sites and 40% affordable housing on other sites. The split within affordable tenures should normally allow for 30% intermediate housing, with the remainder being affordable rented or social rented.
LN4: Affordable Housing Exception Sites	Exceptionally, land adjoining or very close to defined rural and urban settlements may be developed to facilitate affordable housing. This policy specifies that it is applicable to land adjoining the built-up area of Christchurch.

The emerging local plan

69. The new Local Plan has not yet reached the stage of proposed policies, but does make a number of statements that are relevant to summarise here:

- Christchurch is described as ‘a place rich in history, character and beauty which requires a balance of heritage-led regeneration and protection’. The scale of opportunity for regeneration and change is less than in Bournemouth and Poole, but there remains scope for improvements to streets and spaces ad well as the development of key sites around Stony Lane subject to flood risk analysis.
- The government’s standard method for calculating housing need generates a need figure for the BCP area of 2,667 homes per year, or 42,672 to 2038. Bournemouth was among the areas which experienced downward revision of population estimates due to migration patterns, which have an impact on the standard method calculation. BCP Council is considering a model that applies appropriate adjustments. The model initially generated a minimum need of 1,600 homes per year, or 25,600 to 2038. The final method and figure to take forward in the Local Plan is yet to be determined.
- Reaching either target would require allowing high density development, releasing areas of Green Belt, and exploring ways to increase delivery in conservation areas.
- A Housing Land Availability Assessment identified existing and new sites with the potential to accommodate future growth. The study suggested that there is land available to build approximately 34,000 homes in the built-up areas across 120 sites. A number of new sites have been identified in Christchurch in addition to sites already committed in 2020-21 (including a major site for 875 new homes at Roeshot Hill, which falls partly within Christchurch Parish boundary).
- Some sites within the Green Belt are being promoted by landowners.
- The total possible housing supply across BCP to 2038 is 43,000 dwellings, made up of 34,000 sites in the existing built-up area, extra capacity for 4,000 homes on those sites if density can be increased, 1,000 sites within conservation areas subject to review, and 4,000 homes through possible Green Belt release.
- The Issues and Options document proposes that the Local Plan would not prescribe a set housing mix (of types and sizes) except on large strategic sites in order to provide flexibility.
- It is recommended that all homes be required to meet M4(2) of building regulations for accessibility, and 10% of homes meet the M4(3) standard for wheelchair accessibility, in order to accommodate the growing population of older people and those with long-term disabilities.

Quantity of housing to provide

70. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

71. BCP has not yet formally fulfilled that requirement by providing Christchurch with a definitive or indicative number of dwellings to be accommodated within the

Neighbourhood Plan area by the end of the Plan period. This is understood to be due to the early stage of development of the emerging BCP Local Plan.

72. BCP Council have, however, provided a list of sites being considered for the Local Plan in Christchurch along with the capacity of each site. Of the 17 sites listed, the total capacity is 1,144, although a maximum capacity for each site is also given and totals 1,591. No further detail on the affordable component or type and size mix is available at this stage.

73. In the absence of a firmer understanding of the number of dwellings Christchurch Parish is expected to deliver in future years, this broad range of 1,100 to 1,600 will be used simply as a rough indication of the scale of potential need and delivery in this study. It is important to stress that any reference to this range in the HNA does not constitute an endorsement of it. The question of how many homes to plan for overall is beyond the scope of this assessment.

3. Approach

Research Questions

74. The following research questions were formulated at the outset of the research through discussion with Christchurch Town Council. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

75. The Town Council would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local need now and into the future.

76. This evidence will allow Christchurch to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market. This will involve consideration of local income levels, including differences between local residents and workers.

77. The Town Council is interested in exploring the need for Affordable Housing for sale (also known as affordable home ownership) and is therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.

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

Type and Size

78. The Town Council is seeking to determine what size and type of housing would be best suited to the local community, including young people seeking their first home and the potential demand from older households for bungalows and downsizing options.

79. The aim of this research question is to provide the Town Council with evidence on the types and sizes needed by the local community, as well as a review of what exists currently and has been built in recent years. This will help to shape future development so that it better reflects what residents need.

80. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends. No separate consideration of the potential need for Houses in Multiple Occupancy (HMOs) is provided, as this is a question primarily of affordability rather than type, although it is relevant that larger houses can be used for this purpose and may be more affordable for occupants than self-contained flats.

81. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding

features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.

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

Specialist Housing for Older People

82. 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.

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

Relevant Data

83. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from the 2011 Census and a range of other data sources, including:

    - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
    - ONS population and household projections for future years;
    - Valuation Office Agency (VOA) data on the current stock of housing;
    - Land Registry data on prices paid for housing within the local market;
    - Rental prices from Home.co.uk;
    - Local Authority housing waiting list data;
    - The relevant housing evidence for the Local Authority. The most recent published study is the Dorset and BCP Local Housing Needs Assessment (LHNA), dated November 2021 and released in January 2022. The LHNA provides certain data points at sub-Borough scale. The relevant sub-area for Christchurch is BCP Inner East, though it extends beyond Christchurch Parish to both the east and west (see Figure 2-2); and
    - The Christchurch Neighbourhood Plan Scoping Survey, conducted in February and March 2021, with results published in September 2021. Key findings of relevance to housing are as follows:
        - 33% of respondents are very concerned about the price of housing. While this was only the ninth highest priority issue among the general population, it was the second highest priority issue among those aged under 34.
        - 'Having a mix of housing that meets local needs' was seen as more important than 'identifying more sites for affordable housing', but less important than the beauty and energy efficiency of buildings.

- Affordability (having prices and rents that are affordable to local people and businesses) was identified as the fourth most important focus for the Neighbourhood Plan.

84. More recent data sources for the population and existing housing stock will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the tenure of dwellings, cannot be accurately be brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

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

RQ 1: What Affordable Housing (eg social housing, affordable rented, shared ownership, discounted market sale, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

Introduction

85. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.

86. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.

87. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently introduced a new product called First Homes.[2]

88. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:

    - First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
    - The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
    - After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;

[2] 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.

- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

Current tenure profile

89. The current tenure profile is a key feature of the Neighbourhood Plan Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
90. Table 4-1 presents data on tenure in Christchurch compared with former Christchurch Borough and England from the 2011 Census, which is the most recent available source of this information. Christchurch NA appears to sit in the middle ground between the former Borough and England, with a lower rate of home ownership than the Borough but more social and private renting (though less than is evident nationally).
91. As noted in the Context section of this report, it has not been possible to attain a full accounting of the new homes completed in Christchurch since the 2011 Census due to limitations with how that data is captured, especially in the context of the creation of the new parish and the unitary authority. BCP Council have given a summary of the new completions since the parish was created. In the two years from 2019 to 2021 there have been 35 gross completions, and all were market housing. Furthermore, of the 121 residential units in the development pipeline at the time of writing, all are market housing. This is based on data provided by BCP for sites entirely within the parish. However, it is worth noting that the large site at Roeshot Hill falls partly within the parish. This site is anticipated to deliver 875 new dwellings, up to 35% of which will be affordable (with no greater certainty at this time). It is not currently known exactly how many dwellings (overall or affordable) that will fall within the parish boundary. While it has not been possible to ascertain what proportion of the new homes built between 2011 and 2019 were affordable, it is clear that recent delivery and the near-term pipeline have not delivered any affordable housing, with the result that the tenure mix is weighted more

heavily toward market housing.

92. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Christchurch the private rented sector expanded by 89% in that period, a rate of growth broadly in line with wider averages but generally indicative of worsening affordability.

Table 4-1: Tenure (households) in Christchurch, 2011

Tenure	Christchurch NA	Christchurch Borough	England
Owned	70.0%	74.4%	63.3%
Shared ownership	0.9%	0.8%	0.8%
Social rented	16.7%	13.0%	17.7%
Private rented	11.4%	10.8%	16.8%

Sources: Census 2011 QS405EW, AECOM Calculations

Affordability

House prices

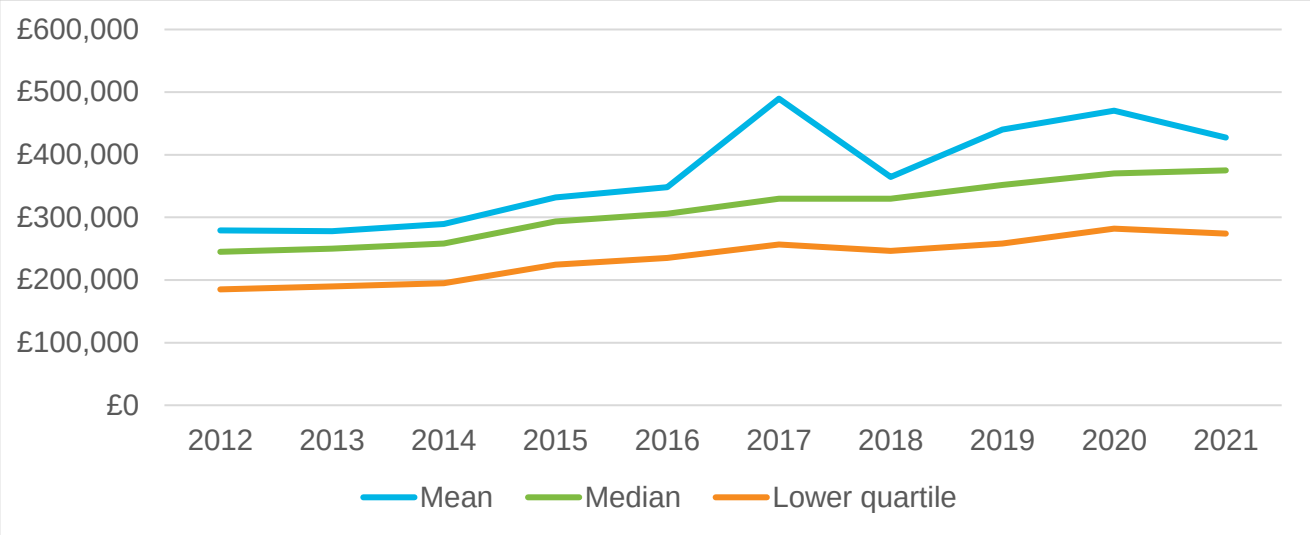
93. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over 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.

94. Figure 4-1 looks at the average and lower quartile house prices in Christchurch Parish based on sales price data published by the Land Registry. It shows that prices have risen steadily over the past decade except for slight downturns in 2018 and 2021 (for some measures). The median house price currently sits at £375,000, £130,000 (or 53%) higher than the average in 2012. The mean is higher at £427,000, again 53% higher than 2012 levels, and also displays higher volatility over time due to the potential for particularly expensive homes skewing the average in any given year. The lower quartile (lowest 25% of prices) average is currently £274,000, £89,000 (or 48%) above the 2012 baseline.

95. Price appreciation in recent years has been considerable at a time when incomes have risen far slower. Unfortunately it is not possible to get a clear picture of income growth over the same period because the average changes considerably at the point when Christchurch is grouped as BCP. However, the growth in the median individual income among those living in former Christchurch Borough from 2011 to 2017 was just 6%, and the growth in BCP from 2018 to 2020 was 8% (Annual Survey of Hours and Earnings (AHSE) tables). Even using the most optimistic reading of the income data, it is apparent that house prices are rising nearly four times as fast as incomes, a trend that is not unique to Christchurch although the contrast is particularly stark in this case. This is raising the barrier to entry for those who do not possess equity from an existing home.

More discussion on incomes is provided subsequently.

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



Source: Land Registry PPD

96. Table 4-2 breaks down house prices by type, presenting the median within each type. It shows two clear distinctions in the market: between detached housing (by far the most expensive) and other types, and between flats (significantly lower cost) and other types. Terraces and semi-detached houses share a fairly narrow price range. It is also generally the case that the most expensive types have appreciated the fastest, with detached homes seeing double the increase in value of flats over the past ten years. Because flats are the most common type delivered on new developments (see appendix for further discussion), the proportion of flats that were newly built (and thus more expensive) has some effect on the average. Fewer new flats have been delivered in the most recent years.

97. It is worth mentioning that there has been a recent decrease in the number of new homes sold in Christchurch in the last few years. Only one was sold in 2021, none were sold in 2020 and just four were sold in 2019. Yet in previous years between 15 and 60 new homes have been sold. This may be due to delays caused by the pandemic, a lag in the time taken for completions to be recorded by Land Registry, a lack of suitable and available land for house building, or simply chance. This situation makes it difficult to draw clear conclusions about the price of newly built homes in contrast to existing homes sold on the second-hand market. The small sample size and lack of recent data means that BCP new build prices are taken forward here as a benchmark for the likely costs of new build housing in Christchurch in future years. The rationale and some additional data behind this is set out in Appendix A.

Table 4-2: Median house prices by type in Christchurch, 2012-2021

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£315,000	£310,000	£336,750	£372,000	£396,250	£410,000	£441,250	£437,475	£455,000	£526,750	67.2%
Semi-detached	£225,500	£232,000	£249,950	£270,000	£298,475	£307,500	£327,500	£330,000	£330,000	£340,000	50.8%
Terraced	£214,475	£237,000	£239,950	£270,000	£267,500	£278,750	£313,750	£285,000	£294,250	£317,500	48.0%
Flats	£144,000	£150,000	£142,500	£178,500	£196,000	£199,950	£175,750	£185,000	£187,500	£185,000	28.5%
All Types	£245,000	£249,950	£258,000	£293,250	£306,000	£330,000	£330,000	£352,000	£370,000	£375,000	53.1%

Source: Land Registry PPD

Rents

98. The property website Home.co.uk provides rental values for property in the Neighbourhood Plan area. According to home.co.uk, there were 30 properties for rent in Christchurch at the time of search in March 2022. The overall median monthly asking rent was £1,200, however this can be subdivided by number of bedrooms. The median monthly rent for a 1 bedroom property was £825 (sample of 6), for 2 bedrooms £1,195 (sample of 11), for 3 bedrooms £1,575 (sample of 7), and for 4 bedrooms £1,995 (sample of 5). The Town Council are interested in the rental costs of rooms in shared houses (HMOs). To supplement the above figures, a further search was conducted in May 2022 on Rightmove to identify rooms in shared houses. However, at the time of search there were no listings of such properties. Unfortunately, rental prices are not captured by Land Registry or made publicly available in such a way that trends over the past ten years can be explored at the scale of parishes.

Incomes and work patterns

99. 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 Christchurch Parish.

100. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income before housing costs locally was £38,500 in 2018 (the latest year for which this data has been released). This figure is an average of figures for four sub-areas. A map and further detail is provided in Appendix A.

101. 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. BCP's gross individual lower quartile annual earnings were £16,151 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £32,302.

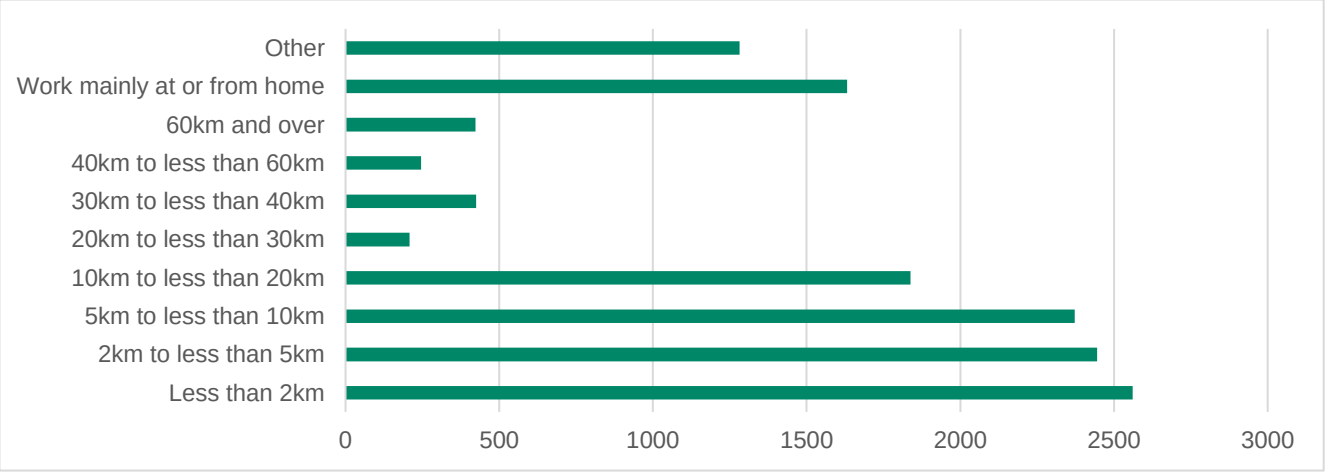
102. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

103. It is also helpful to review additional details relating to local incomes. The ONS estimates at local authority level are provided in two key ways: one is for 'home geography' – so for all of the people who live in the local authority no matter whether they work there or not; the other is for 'work geography' – for all of the people who work in the local authority, even if they commute in from elsewhere.

104. In terms of incomes, the median individual income among those working but not necessarily living in BCP is £25,060, compared with £24,987 for those living in BCP but not necessarily working there. The difference is slight, meaning there appear to be no significant differences between the earning power of those commuting in and out.

105. More detailed information on travel to work patterns (though not incomes) can be gleaned from the Census for Christchurch NA specifically. Unfortunately it is not possible to determine how many people work in Christchurch but do not live there and vice versa at this scale. However, it is possible to understand how far the working population travel to work. 59% of the working population travel more than 2km to work, suggesting a large amount of commuting outside of Christchurch Parish. The average distance travelled is 14.7km, due in part to the relatively large distances travelled by a small number of people. The distribution is shown in Figure 4-2 and the accompanying table.

Figure 4-2: Distance travelled, Christchurch NA, 2011



Source: Census 2011 QS702EW

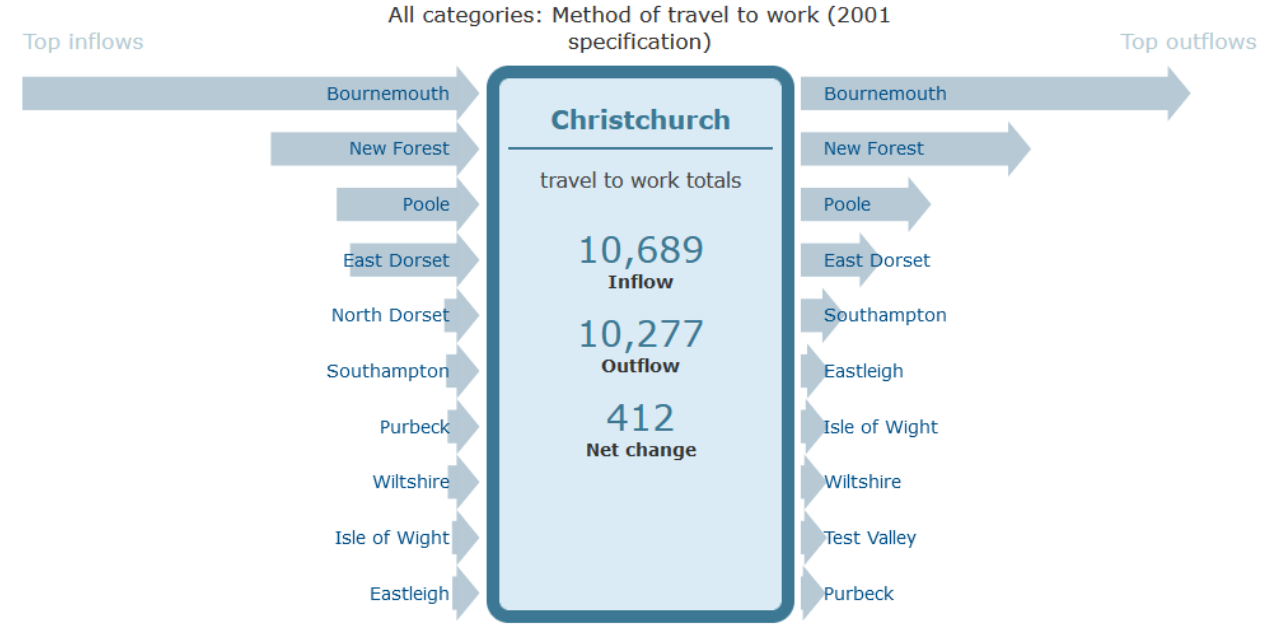
Table 4-3: Distance travelled, Christchurch NA, 2011

Distance	Count	%
Less than 2km	2,561	19.1%
2km to less than 5km	2,445	18.2%
5km to less than 10km	2,372	17.7%
10km to less than 20km	1,838	13.7%
20km to less than 30km	208	1.5%
30km to less than 40km	425	3.2%
40km to less than 60km	246	1.8%
60km and over	423	3.1%
Work mainly at or from home	1,632	12.2%
Other	1,282	9.5%
Total	13,432	

Sources: Census 2011 QS405EW, AECOM Calculations

106. Data at local authority level also provides a picture of the source and destination of incoming and outgoing workers to former Christchurch Borough. This is shown in Figure 4-3, revealing that inflows were higher in 2011 than outflows, and that neighbouring Bournemouth dominates the list. This is like due to Bournemouth's proximity and size. The lower quartile house price of Bournemouth was £208,000 in 2021, compared with £274,000 in Christchurch so it is less likely that this level of commuting is driven by people who work in Bournemouth seeking more affordable housing costs in neighbouring Christchurch.

Figure 4-3: Work migration to and from former Christchurch Borough, 2011



Commuting totals (all categories: method of travel to work (2001 specification)) for Christchurch:

- Inflow: 10,689 person(s) commute into Christchurch from other local authorities in the UK.
- Outflow: 10,277 person(s) commute out of Christchurch to other local authorities in the UK or abroad.
- Net change: Overall, commuting results in a population increase of 412 in Christchurch.

Source: ONS, Census 2011, WU03UK - Location of usual residence and place of work by method of travel to work

107. To conclude, data on the distance travelled to work among residents of Christchurch Parish and the former Borough shows that there is a relatively good balance between residents and jobs, with most people working locally or in neighbouring Bournemouth. Data on income also shows that there is no significant difference in earnings between those working locally and those that live locally but work outside the area. The difference between house prices and earnings therefore does not appear to be driven by lack of employment opportunities (at least no more so than other areas), and commuting to Bournemouth appears to be driven by employment pull factors rather than by housing affordability advantages to living in Christchurch rather than Bournemouth.

Affordability Thresholds

108. 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.

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

110. 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. The mortgage multiplier is particularly variable, with multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants. The percentage of income to be spent on rent also varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption. While larger mortgages and higher rents may be feasible for individuals, this creates vulnerability to changing economic circumstances and may not be a possibility for many people with the most acute housing needs. Different assumptions would, however, alter the picture of affordability that emerges here. This is another reason interpret the findings with a degree of flexibility.

111. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within Christchurch Parish, 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.

112. The same information is presented as a graph in Figure 4-4 on a subsequent page, with selected measures from the table presented for clarity.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £38,500	Affordable on LQ earnings (single earner)? £16,151	Affordable on LQ earnings (2 earners)? £32,302
Market Housing						
Median House Price	£337,500	-	£96,429	No	No	No
LA New Build Median House Price	£303,075		£86,593	No	No	No
LQ/Entry-level House Price	£246,600	-	£70,457	No	No	No
Flat Price	£166,500		£47,571	No	No	No
1-bed Market Rent	-	£9,900	£33,000	Yes	No	Marginal
2-bed Market Rent	-	£14,340	£47,800	No	No	No
Affordable Home Ownership						
First Homes (-30%)	£212,153	-	£60,615	No	No	No
First Homes (-40%)	£181,845	-	£51,956	No	No	No
First Homes (-50%)	£151,538	-	£43,296	No	No	No
First Homes Flat (-30%)	£116,500	-	£33,300	Yes	No	Marginal
First Homes Flat (-40%)	£99,900	-	£28,543	Yes	No	Yes
First Homes Flat (-50%)	£83,250	-	£23,786	Yes	No	Yes
Shared Ownership (50%)	£151,538	£4,209	£57,328	No	No	No
Shared Ownership (25%)	£75,769	£6,314	£42,695	No	No	No
Shared Ownership (10%)	£30,308	£7,577	£33,916	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£7,300	£24,310	Yes	No	Yes
Social Rent	-	£5,589	£18,611	Yes	No	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

114. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access homes for sale, even flats, unless they have the advantage of a very large deposit or equity from an existing property. Market housing, even with the benefit of a higher than average income, is therefore likely to remain out of reach to most new households. The median house price would require an annual income nearly three times higher than the current average.

115. Private renting is potentially affordable to average earners and households with two lower earners, both of whom appear able to afford a 1 bedroom rental property. The annual income required for a 2 bedroom home exceeds the capability of average earners, and larger rental homes are therefore even further out of reach – a particular challenge for large families who cannot afford to buy a house but are also not eligible for subsidised Affordable Housing. Affordability could be improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances. The rental thresholds discussed here are for self-contained units. Rooms in shared houses (HMOs) tend to be more affordable than this, tending to be most suitable to single individuals or couples. At the time of writing there were no examples of rental listings for this type of property, so it has not been possible to establish the difference in costs and affordability for different income groups.

116. It is worth noting that the BCP and Dorset LHNA sets the income thresholds for market housing in BCP Inner East (the area containing Christchurch) at £28,500 for renting and £51,000 for market purchase. These figures are below those derived for Christchurch Parish here, which may be due to the inclusion of a wider area around the town itself as well as the slightly older data used in the LHNA (coming at a time of significant market movement due to Covid-19, the stamp duty holiday, and so forth).

Affordable home ownership

117. There is a large group of households in Christchurch who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £33,000 per year (at which point entry-level rents become affordable) and £70,000 (at which point entry-level market sale homes become affordable). It is not known how many, or what proportion, of households fall into this bracket based on the available data at this scale. This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.

118. However, the income required to access any of the products considered (benchmarked against the equivalent open market value of a new entry-level home in BCP, and again using a 3.5x income multiplier for the mortgage component) exceeds the average household income in Christchurch, with the exception of shared ownership at the lowest possible equity share. Other forms of First Homes and shared ownership do bring down the threshold for home ownership from £70,000 to just over £40,000, which certainly widens access to ownership to a larger group of people. However, the benefits accrue only to above average earners, leaving lower earners reliant on relatively unaffordable private rents or subsidised Affordable Housing if eligible. The affordability of First Homes if they are able to be brought forward in the form of flats at current (existing rather than new build) prices, creates a more optimistic picture of affordability. This may be considered the target form for First Homes to take in order to most meaningfully widen access to home ownership, although it is not necessarily guaranteed that this will be possible.

119. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan

qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.

120. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. Given that even the highest discount level does not bring the income needed (based on the equivalent new build price) within reach of average earners, from the perspective of affordability this maximum of 50% appears to be justified (subject to viability and other factors beyond the scope of this report).

121. Table 4-5 shows the discount required for First Homes to be affordable to the three income groups. Because it is not possible to precisely estimate the cost of a typical First Home in Christchurch due to a lack of data on new build entry-level house prices in Christchurch Parish, it is worth considering the discounts required for some additional price benchmarks. The table above uses the median new build house price across BCP as a proxy. However, it is worth thinking about First Homes in relation to the cost of median and entry-level existing house prices in to get a more complete picture in case there is flexibility in what is considered 'equivalent open market value'. The discount levels required for these alternative benchmarks are given below, and the implications for the discount needed remain largely unchanged. As shown above, however, if First Homes can be built at the price point of existing flats, they will be more affordable to lower earners.

Table 4-5: Discount on sale price (for each house price benchmark) required for households (at different income levels) to afford First Homes

House price benchmark (used to calculate First Homes affordability)	Mean household income	Single LQ earner	Dual LQ earning household
NA Median house price	60%	83%	67%
LA New build median house price	56%	81%	63%
NA Entry-level house price	45%	77%	54%

Source: Land Registry PPD; ONS MSOA total household income

122. Shared ownership appears to be slightly 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.[3] If this is delivered in Christchurch Parish, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.

123. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for

[3] 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.

occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.

124. The income required to access Rent to Buy, a product designed to allow occupant to transition from renting to ownership by allowing a discount on the market rent to be used to save for a deposit, is assumed to be the same as that required to afford market rents. On that basis, First Homes and shared ownership are more affordable options for larger dwellings, although rent to buy 1 bedroom properties could be a valuable contribution to the market if there is demand for an ownership option with relatively little grow-on space if the family unit expands (for example through cohabitation or having children).

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

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
- Shared ownership at high equity shares performs a similar function to First Homes. There may be additional costs depending on the home type, such as building service charges and rental management fees. The former may also apply to First Homes.
- 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.

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

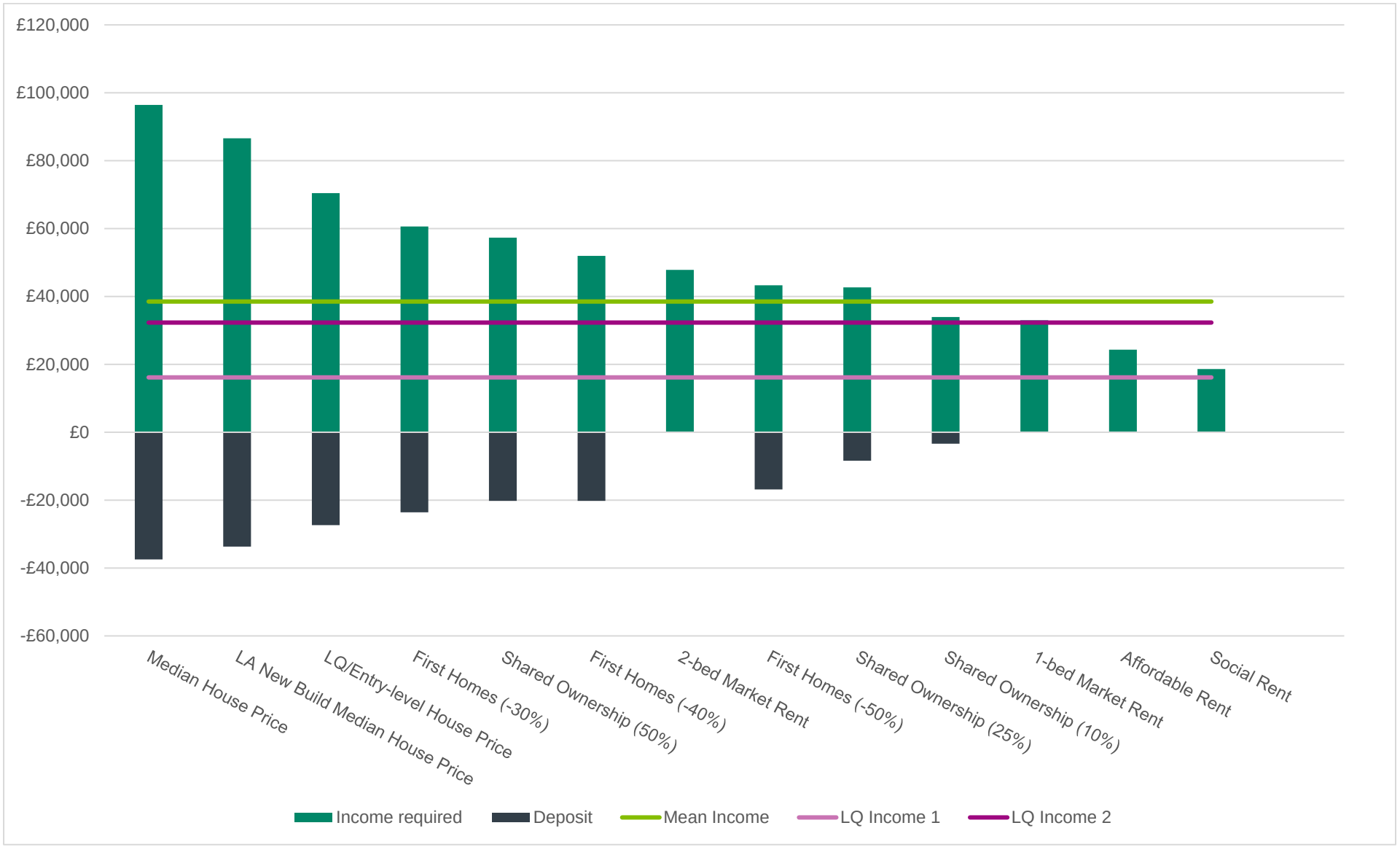
Affordable rented housing

127. 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. This may involve renting a room in a shared house (HMO), which is generally the most affordable form of accommodation outside of the affordable rented sector. It has not been possible to establish the costs of renting such a property in Christchurch due to the lack of available data.

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

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



Source: AECOM Calculations

Affordable housing- quantity needed

129. The first point of reference for understanding the need for affordable housing in Christchurch is the relevant Local Housing Need Assessment LHNA. In this case, the BCP and Dorset LHNA was published recently in 2021 and disaggregates the quantity of need for affordable housing to sub-areas, one of which relates closely to the Christchurch NA. Given the recency, local specificity and level of detail of the LHNA assessment of affordable needs, its figures provide a highly accurate picture of affordable needs and will form the basis of the discussion to follow.

130. The LHNA identifies a net annual need of 277 affordable rented housing units and 202 affordable home ownership units for the BCP Inner East sub-area (Tables 7.28 and 7.39). The proportion of BCP's overall needs attributed to Inner East in the LHNA is 17% for affordable rent and 20% for affordable home ownership.

131. The Inner East sub area had an estimated population of 76,468 in 2019 (Table 6.1). The Christchurch NA had an estimated population of 31,959 in 2020 (see Context section of this HNA). As such, approximately 42% of the Inner East population live within the Christchurch NA. On the basis that Christchurch Parish's share of the Inner East population is broadly equivalent to its share of Inner East's Affordable Housing needs, Christchurch has an estimated annual need for 116 affordable rented units and 85 affordable home ownership units. To the end of the Neighbourhood Plan in 2039 (assuming a start date in 2020), the total potential need is for 1,972 affordable rented units and 1,445 affordable home ownership units.

132. BCP Council have also provided figures from the affordable housing register accurate to July 2022 that reveal the current backlog for affordable rented housing in Christchurch and set this in the context of BCP's wider needs. In July 2022 there were 615 applicant households in Christchurch (a proxy area created by excluding the Burton and Highcliffe wards: 397 in Christchurch Town and 218 in Mudeford, Stanpit and West Highcliffe). This is a significant increase on the figure first provided in Februrary, which counted 82 applicant households in the same area. At that time, of the 82 households, 36 required a 1 bedroom property, 13 a 2 bedroom, 32 a 3 bedroom and 1 a 4 bedroom property.

133. Given the large increase in the figure from February to July 2022 it is important to realise that the BCP register is undergoing a period of transition from an older legacy register. The process involves households reapplying and their eligibility being assessed gradually. This process was at an early stage in February but largely concluded by July, meaning that the more recent figure is more accurate.

134. Note that households not eligible for affordable rented housing but who may be eligible for affordable home ownership are not included in the BCP register figures.

135. BCP Council have also supplied data on the number of re-lets in Christchurch in recent years. This relates to vacancies in the existing affordable rented stock,

created when occupants move out, that can help to service demand for those on the waiting list. There were 46 relets in Christchurch in 2021-2022, the lowest figure in recent years, where the annual average (from 2018-22) has been 84.

136. Finally, BCP Council were able to access data from the national Help to Buy register, which indicated that, as of November 2022, 224 households had registered their interest in affordable home ownership products in BCP. This could not be disaggregated to specific settlements but it is interesting to note that all 224 households included Christchurch in their areas of preference (multiple areas could be selected). Of these, 42 were looking for a 1 bedroom property, 140 for a 2 bedroom property, 38 for a 3 bedroom property, and 4 for a 4+ bedroom home. This is significantly lower than the potential demand derived from the LHNA estimates discussed above. However, the Help to Buy register tends to undercount real demand due to a lack of awareness.

137. It is important to stress that there is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Town Council 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).

138. 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 guidance

139. BCP's adopted policy KS4 aims for 35% of all new housing to be affordable. Policy LN3 is more specific and ambitious in expecting all developments of more than 10 net additional dwellings to provide up to 50% Affordable Housing (on greenfield sites) and 40% (on brownfield sites). Given that no Affordable Housing was delivered in the last two years and none is expected on currently committed sites (with the exception of an unknown quantity on the Roeshot strategic site), it would appear that these targets are not usually met on sites in Christchurch Parish. It is understood that this is primarily due to issues of development viability, with high land values and a predominance of brownfield sites in the town, which tend to have existing uses and higher starting values.

140. 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 Christchurch Parish, and every effort should be made to maximise delivery where viable.

141. 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 set out in Policy LN1, which seeks 30% of Affordable Housing to be intermediate (affordable

home ownership) tenures and the remainder to be affordable or social rent. This guideline on the tenure mix predates a number of national policy changes. The current material of the emerging Local Plan suggests that detail on the housing mix will be limited to promote flexibility and no targets are given.

142. The subsequent section supplies more localized evidence and applies the recent policy changes, summarising the factors that might be taken into account if the Neighbourhood Plan is to include policy guidance on this topic. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:

    A. **Evidence of need for Affordable Housing**: Based on the findings of the recent LHNA, this study estimates that Christchurch requires roughly 1,972 units of affordable rented housing and 1,445 units of affordable home ownership over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes, although affordable home ownership products appear to chiefly benefit above average earners due to high starting house prices.

    The relationship between these figures suggests that 58% of Affordable Housing should be rented and 42% should offer a route to ownership. However, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs (such as homelessness and overcrowding, but also simply an inability to afford any alternative options without additional subsidy, with housing benefit offering less long-term security than social renting); the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.

    If the quantity of new housing overall were unlimited, 58% to 42% may be an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.

    B. **Can Affordable Housing needs be met in full?** How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.

    The quantity of housing needed or expected is currently unknown, but on the basis of the capacity of the sites in Christchurch currently under consideration for the emerging Local Plan, a broad range of 1,100 to 1,600 may give a reasonable indication of the potential scale of delivery.

    If the Local Plan target of 40% for brownfield sites were achieved on every site in this range (a doubtful prospect given historical trends), around 440 to 640 affordable homes might be expected in Christchurch Parish. This is not sufficient to satisfy the total potential demand for Affordable Housing identified here.

    As a result, affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority.

C. **Government policy (eg NPPF) requirements**: current NPPF policy requires at least 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in BCP, where 35% of all housing should be affordable, 28.5% of Affordable Housing should be for affordable ownership. This complies with the guideline tenure split sought in the adopted Local Plan (30% intermediate tenures).

   There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA: there is some evidence that meeting the threshold in Christchurch would prejudice the provision of much needed affordable rented homes, simply because of the scale of need in relation to expected delivery. Whether or not this rises to the level of an exception is a policy consideration beyond the scope of this assessment.

D. **First Homes policy:** the Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.

   This new minimum requirement may have the effect of displacing other products in any established tenure mix, and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This is not a risk in Christchurch because Policy LN3 allows for 30% affordable home ownership tenures, which could include First Homes.

   National policy dictates that after the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the relevant Local Plan, with any remaining units allocated to other tenure products in the relative proportions set out in the Local Plan.

   This guidance generally applies to district-level policy, and there may still be potential for a neighbourhood plan tenure mix to deviate from how the other tenures are rebalanced if appropriate.

E. **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 as a serious issue locally 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.

F. **Funding**: the availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.

G. **Existing tenure mix in Christchurch**: Christchurch has a relatively healthy provision of social rented accommodation compared to the former Borough but a slightly lower rate than the country as a whole. There were very similar low rates of shared ownership across Christchurch Parish, former Borough and country in 2011. This suggests that some provision of affordable home ownership would offer a wider choice of homes for local residents, but also that there is some room for the social/affordable rented stock to grow.

H. **Views of registered providers**: it is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the parish. The funding arrangements available to housing associations will determine rent levels.

I. **Wider policy objectives**: the neighbourhood planning group may wish to take account of broader policy objectives for Christchurch and/or the wider Borough. These could include, but are not restricted to, policies to attract younger households, families or working age people to Christchurch Parish. These wider considerations may influence the mix of Affordable Housing provided.

143. On the basis of the considerations above, Table 4-6 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.

144. The proposed tenure split is 70% affordable and social rent to 30% affordable home ownership. This has been selected to prioritise social renting above the proportion suggested by the estimates of need due to significant anticipated limitations on delivery, as well as the fact that affordable home ownership products are found to only widen access to ownership to above average earners. The proportion of affordable renting cannot rise far above 70% without contravening national policy requirements around affordable ownership and First Homes. First Homes will need to comprise 25% of all affordable housing at a minimum and are thus proposed at this rate, leaving just 5% of Affordable Housing for shared ownership or rent to buy. If the community wishes for greater diversity in affordable ownership options this would need to come at the expense of some affordable rented housing.

145. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of the considerations listed above, and in particular the views and objectives of the community.

146. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with BCP to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.

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

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

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	**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. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Affordability issues

148. Christchurch's 2011 tenure mix shows a lower rate of home ownership (70%) than the former Borough but a higher rate than the country as a whole, and a proportion of social rent (17%) again falling between the two wider averages. Of the 35 new homes built in the last two years and 121 in the near-term pipeline, none are to be offered in Affordable Housing tenures, suggesting that the mix continues to be rebalanced towards market tenures since the Census.

149. Home values in Christchurch have risen steadily over the past decade, with the result that the median home now costs 53% more than in 2012 and prices are increasing nearly four times faster than wages. A median home currently costs £375,000 and an entry-level home currently costs £274,000.

Tenure options

150. AECOM has estimated the annual income required to afford various tenures of housing in Christchurch Parish – each of which is explained in detail in Appendix A. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward.

151. The average household income in Christchurch was £38,500 in 2018, and the lower quartile income (per person) for Dorset was £16,151 in 2020. 59% of the working population of Christchurch Parish travel more than 2km to work, suggesting a high rate of commuting, primarily to Bournemouth.

152. It was found that a household would need an income comfortably above the average (substantial equity in another home or a very large deposit) to qualify for a mortgage even for an entry-level home or flat in the area. Home ownership through the mainstream market is not an option for the majority of local people who do not already own. The median house price would require an annual income nearly three times the current average.

153. Private renting is potentially affordable to average earners and households with two lower earners, both of whom appear able to afford a 1 bedroom rental property. The annual income required for a 2 bedroom home exceeds the capability of average earners, and larger rental homes are therefore even further out of reach – a particular challenge for large families who cannot afford to buy a house but are also not eligible for subsidised Affordable Housing and therefore need to rent.

154. There is a relatively large group of households in Christchurch who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £33,000 per year (at which point entry-level rents become affordable) and £70,000 (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.

155. However, the income required to access any of the products considered (benchmarked against the equivalent open market value of a new entry-level home in BCP) exceeds the average household income in Christchurch, with the exception of shared ownership at the lowest possible equity share. Other forms of First Homes and shared ownership do bring down the threshold for home ownership from £70,000 to just over £40,000, which certainly widens access to ownership to a larger group of people. However, the benefits accrue only to above average earners, leaving lower earners reliant on relatively unaffordable private rents or subsidised Affordable Housing if eligible. The affordability of First Homes if they are able to be brought forward in the form of flats at current (existing rather than new build) prices, creates a more optimistic picture of affordability. This may be considered the target form for First Homes to take in order to most meaningfully widen access to home ownership, although it is not necessarily guaranteed that this will be possible.

156. Neighbourhood plan qualifying bodies have discretion to increase the discount on the new First Homes product from 30% to 40% or 50% where there is evidence to suggest this is appropriate. This HNA finds that the highest possible discount level of 50% would be necessary from an affordability perspective in Christchurch,

although this has potential implications on development viability and may need to be discussed with BCP Council.

157. Affordable rented housing appears generally affordable to households with two lower earners (average earning households are unlikely to be eligible). However, households with a single lower earner are unable to afford any of the tenures considered except for smaller socially rented units. Many such individuals will, if unable to secure a social rented dwelling or additional subsidy, need to live in a room in a shared house rented from a private landlord using housing benefit. The affordable rented sector performs a vital function in Christchurch as the only option for a large segment of those in the greatest need.

Quantity of Affordable Housing needed

158. The Dorset and BCP Local Housing Needs Assessment (LHNA) 2021 identifies a net annual need of 277 affordable rented housing units and 202 affordable home ownership units for the BCP Inner East sub-area, which covers Christchurch, Highcliffe and parts of Hurn and Burton and Winkton parishes (Tables 7.28 and 7.39). The proportion of BCP's overall needs attributed to Inner East in the LHNA is 17% for affordable rent and 20% for affordable home ownership.

159. It is possible to pro-rate these numbers to determine broadly what share of the wider area's needs might be attributable to Christchurch based on population statistics. Approximately 42% of the Inner East population live within Christchurch Parish.

160. On the basis that Christchurch Parish's share of the Inner East population is broadly equivalent to its share of Inner East's Affordable Housing needs, Christchurch has an estimated annual need for 116 affordable rented units and 85 affordable home ownership units. To the end of the Neighbourhood Plan in 2039 (assuming a start date in 2020), the total potential need is for 1,972 affordable rented units and 1,445 affordable home ownership units. BCP Council figures for the current backlog of need on the Affordable Housing register (615 applicant households in Christchurch as at July 2022), and from the Help to Buy register (214 applicants across BCP as a whole) are in broad alignment with these estimates.

Policy considerations

161. BCP's adopted policy KS4 aims for 35% of all new housing to be affordable. Policy LN3 is more specific and ambitious in expecting all developments of more than 10 net additional dwellings to provide up to 50% Affordable Housing (on greenfield sites) and 40% (on brownfield sites). Given that no Affordable Housing was delivered in the last two years and none is expected on currently committed sites, it would appear that these targets are not usually met on sites in Christchurch Parish. It is assumed that this is primarily due to issues of development viability, with high land values and a predominance of brownfield sites in the town, which tend to have existing uses and higher starting values.

162. 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 very high need for Affordable Housing in Christchurch Parish, and every effort should be made to maximise delivery where appropriate.

163. On the balance of factors listed in the Policy Guidance section of this chapter, AECOM recommends that roughly 70% of Affordable Housing should take the form of rented tenures such as social and affordable rent (preferably the former), with the remaining 30% as affordable routes to home ownership, fulfilling the requirements of the new First Homes product. This split, weighted more strongly in favour of renting than the need figures derived from the LHNA would suggest, has been selected to prioritise social renting above the proportion suggested by the estimates of need due to significant anticipated limitations on delivery, as well as the fact that affordable home ownership products are found to only widen access to ownership to above average earners.

164. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing. Adopted policy for former Christchurch Borough allows for exception sites around Christchurch specifically. While such land is likely to have Green Belt protection, the policy on this subject suggests that Green Belt must allow “an area of open land” and protect settlements from merging, and as such can be interpreted as allowing for some development on exception sites. Certainty on this point should be sought from BCP Council if relevant.

5. RQ 2: Type and Size

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

Introduction

165. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Christchurch in terms of type and size, as well as some of the population characteristics that tend to influence housing needs. From this, it is possible to develop an understanding of what sort of housing would be appropriate going forward.

166. It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The recommendations in this chapter, particularly the final suggested size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

Existing types and sizes

Background and definitions

167. Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those having more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.

168. This study is concerned primarily with need rather than demand, meaning the balance of house types most likely to suit future occupants based on the existing stock and demographic change.

169. The best proxy for the number of people in a household is age or 'life stage', with younger and then older households tending to have one or two people, and those in between these poles more likely to have larger families including children. Life stage is therefore a main indicator considered here for the size of housing needed. But it is worth pointing out that wealth is also correlated with age, so it is not possible to attain a pure view of what is needed from the secondary data alone.

170. It is also useful to clarify the terminology around dwellings and households. Dwellings are counted in the Census by combining address information with Census returns on whether people's accommodation is self-contained. As such, all dwellings are classified as either shared or unshared dwellings. Households are groups of people who live together as a coherent unit (such as a family),

and a dwelling is shared where there is more than one household occupying it (e.g. two families or a group of individual students). Hence, there is usually a different number of households and dwellings in any given area. The number of dwellings will generally exceed that of households due to market church and vacancies, but can be exceeded by a much greater margin in areas with large numbers of holiday or second homes.

171. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in Christchurch Parish. Adding together Census figures and completions data for the intervening period is not viable because of limitations with the completions data stemming from the recent formation of the parish. Instead, Valuation Office Agency (VOA) data is the most accurate source, although it also has limitations – notably the inclusion of a small area (of around 250 dwellings) beyond Christchurch Parish boundary. However, for the purpose of attaining an understanding of the broad distribution of housing options and identifying any gaps in the market, this issue is considered of low statistical significance.

172. Note that because VOA data is derived from Council Tax reporting and Council Tax is usually paid by the owner of the property in the case of a House in Multiple Occupation (HMO), rather than by the occupants of each room, the VOA would classify a HMO as a single property (usually a house with a larger number of bedrooms) as opposed to a number of separate smaller flats or ‘unknown’ units. It is not possible to disaggregate shared dwellings in the type and size data available, but BCP’s public register of HMO licenses suggests that there are 5 HMOs in Christchurch (the register is not clearly dated but was accessed on 29 April 2022). Two of these have 0 occupants and bedrooms and are thus assumed to be vacant or used for a different purpose. The others have 7, 10 and 15 bedrooms respectively. Note that only HMOs having 5 or more occupants require a license so there remains the possibility that smaller HMOs exist in addition.

Dwelling type

173. Table 5-1 shows the number of properties in Christchurch of different types in 2021 alongside data from the 2011 Census. The value of comparing these figures is limited by the fact that, as noted above, the 2021 data includes an extra 250 homes beyond Christchurch Parish, as well as the fact that Census data counts bungalows within each of the other categories rather than independently as in the VOA data.

174. However, it is possible to draw the conclusion that recent development has largely taken the form of flats and terraces, rising by around 230 and 330 units respectively. It also appears that the vast majority of bungalows in Christchurch are detached or semi-detached, since the total of those two categories in 2011 is within 100 units of the total of those two categories plus bungalows in 2021.

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

Dwelling type	2011 (Census)	2021 (VOA)
Bungalow	-	3,390
Flat	3,338	3,570
Terrace	2,775	3,100
Semi-detached	2,831	2,340
Detached	5,505	2,680
Unknown/other	-	300
Total	14,486	15,380

Source: ONS 2011 QS402EW, VOA 2021, AECOM Calculations

175. Table 5-2 sets Christchurch's 2021 mix alongside that of wider BCP and England for comparison. It is interesting to observe that the mix in Christchurch more closely resembles national averages than the wider unitary authority, which is quite unusually skewed in favour of flats. This is not unexpected given the authority's inclusion of two population centres larger and more urban than Christchurch in Bournemouth and Poole.

176. Nevertheless, Christchurch has some notable characteristics, including double the national rate of bungalow provision. While bungalows cannot automatically be assumed to be suitable for older people and others with mobility limitations, their relative abundance in Christchurch may represent a strong offering to those demographics. If those bungalows are assumed to be predominantly detached and semi-detached as proposed above, Christchurch does have lower proportions of terraces and flats than both wider geographies, a feature of the market that is likely to have implications for affordability, particularly for those taking their first step on the housing ladder. Finally it is worth noting that the housing type options in Christchurch appear relatively well-balanced on their own terms, with no type occupying more than a quarter of the stock.

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

Dwelling type	Christchurch	BCP	England
Bungalow	22.0%	14.3%	9.4%
Flat	23.2%	39.0%	23.0%
Terrace	20.2%	10.8%	26.4%
Semi-detached	15.2%	13.6%	23.8%
Detached	17.4%	20.9%	15.9%
Unknown/other	2.0%	1.3%	1.4%

Source: VOA 2021, AECOM Calculations

Dwelling size

177. The following tables explore Christchurch's mix of dwelling sizes in the same way as is done for type above. Table 5-3 shows that 3 bedroom homes have seen the largest increase of any category in recent years, although there has also been significant growth in 1-2 bedroom homes (including studios), a finding that aligns with the growth in flats noted above. The data appears to suggest that there are fewer large (4+) bedroom homes now than in 2011, which may

be a product of the sub-division of larger houses into flats (though not into HMOs, which would be classified as single homes with many bedrooms).

178. Note that the totals for the number of properties by type and size across both datasets vary. For the Census this is because the total by dwelling type aligns with the number of dwellings in an area (whether occupied or not), while the total by dwelling size aligns with the number of households (thus excluding vacant or second homes). For the VOA the discrepancy is likely due to rounding as each category is rounded to the nearest 10, resulting in greater variance in overall totals.

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

Number of bedrooms	2011 (Census)	2021 (VOA)
Studio	43	-
1	1,669	2,040
2	4,206	4,850
3	5,360	6,220
4	1,782	1,650
5+	370	300
Unknown	-	80
Total	13,430	15,140

Source: ONS 2011 QS411EW, VOA 2021, AECOM Calculations

179. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider Borough and country. Table 5-4 shows that, like England, the most common dwelling size in Christchurch Parish is 3 bedrooms followed by 2 bedrooms. The mix in Christchurch skews slightly smaller than the national average but not as small as the picture in BCP due to the preponderance of flats in the unitary authority. There are fewer options in Christchurch with 4 or more bedrooms than at both wider geographies.

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

Number of bedrooms	Christchurch	BCP	England
1	13.5%	16.9%	12.3%
2	32.0%	34.6%	28.1%
3	41.1%	33.7%	43.4%
4	10.9%	11.2%	12.2%
5+	2.0%	3.7%	3.3%

Source: VOA 2021, AECOM Calculations

Future pipeline

180. BCP Council have provided monitoring data for development sites that were in construction or not yet started in the monitoring years 2019-20 and 2020-21. Though there is some potential for double-counting with the VOA data presented for 2021 above, because VOA data is derived from Council Tax reporting, even dwellings close to completion in 2020 are unlikely to be reflected in the (early) 2021 VOA data.

181. Of the 121 residential units in the development pipeline (not including 22 care home beds and the unknown number of homes within the Roeshot strategic site which falls partly within Christchurch Parish), all are market housing rather than subsidised Affordable Housing. 78 were houses or bungalows and 43 were flats (the data does not record type at greater granularity with this). The size mix is as follows:
    - 52 x 1-bedroom
    - 28 x 2-bedroom
    - 15 x 3-bedroom
    - 26 x 4-bedroom (all of which were houses).
182. It would appear that this mix of property sizes is providing useful diversification to the existing housing stock, with comparatively few of the 3 bedroom homes that are currently the most common due to come forward, and proportionally large increases in the relatively less common 1 and 4 bedroom categories.

Age and household composition

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

Age structure

184. Table 5-5 shows the most recent estimated age structure of Christchurch Parish population, alongside 2011 Census figures. While all age groups are projected to have expanded to 2020 (with the exception of 16-24 and 25-44 which contract only slightly), only those above 45 make up a greater proportion of the overall total than they did in 2011. The largest increase in terms of actual numbers and proportionally is the additional 1,000 people aged 65-84 (15% growth), although the 140 additional people aged 85+ also represents a double-digit growth rate. It is also worth noting that the number of children is projected to have increased even though they represent a smaller proportion of the total. In essence, like much of the country, the population is experiencing ageing – although with a greater expansion of active retirees rather than those in age bands more likely to require support or different accommodation.
185. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.
186. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that

the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

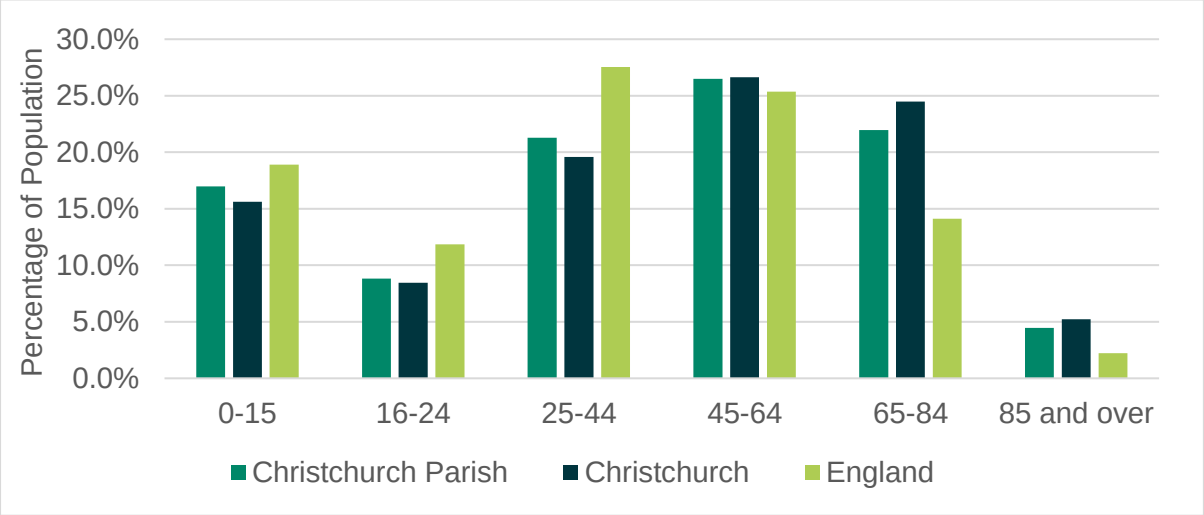
Table 5-5: Age structure of Christchurch population, 2011 and 2020

Age group	2011 (Census)		2020 (ONS, estimated)		Growth rate
0-15	5,160	17.0%	5,442	16.8%	5.5%
16-24	2,684	8.8%	2,666	8.2%	-0.7%
25-44	6,465	21.3%	6,431	19.8%	-0.5%
45-64	8,052	26.5%	8,794	27.1%	9.2%
65-84	6,672	22.0%	7,642	23.5%	14.5%
85 and over	1,360	4.5%	1,500	4.6%	10.3%
Total	30,393		32,475		6.9%

Source: ONS 2011 KS102EW, ONS mid-2020 population estimates, AECOM Calculations

187. For context, it is useful to look at the parish population structure alongside that of the Borough and country. Figure 5-1 below (using 2011 Census data) shows that Christchurch had a generally younger population than Christchurch Borough (the relevant comparator at that time) but a significantly older population than the national average. The large 45-64 cohort in 2011 has clearly resulted in the substantial growth in those aged 65-84 observed in the 2020 estimate.

Figure 5-1: Age structure in Christchurch, 2011



Source: ONS 2011, AECOM Calculations

Household composition

188. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-6 shows that the proportion of households containing only one person in Christchurch is very similar to Borough and nationwide patterns. Of Christchurch's family households, more have dependent children than no children and there is a significant proportion of households with non-dependent (i.e. older) children still

living at home. That category expanded by 12% between 2001 and 2011, and the 'other' category (including HMOs, multigenerational families and students) also expanded by 31% over the same period. Both of these trends are generally seen to indicate affordability pressures.

189. It is also worth highlighting that this data takes the entire parish as its unit of analysis, but that there is understood to be significant variation between sub-areas. For example, the percentage of retirees in the area covering Stanpit, Mudeford and Friars Cliff is 42%, compared with approximately 17% across the rest of the parish.

Table 5-6: Household composition, Christchurch, 2011

Household composition		Christchurch Parish	Christchurch Borough	England
One person household	**Total**	31.8%	31.9%	30.2%
	Aged 65 and over	19.0%	20.3%	12.4%
	Other	12.8%	11.6%	17.9%
One family only	**Total**	62.1%	62.3%	61.8%
	All aged 65 and over	13.8%	16.0%	8.1%
	With no children	16.8%	17.1%	17.6%
	With dependent children	22.4%	20.4%	26.5%
	All children Non-Dependent[4]	9.1%	8.8%	9.6%
Other household types	**Total**	6.1%	5.7%	8.0%

Source: ONS 2011 QS113EW, AECOM Calculations

Occupancy ratings

190. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of Christchurch Parish. 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. This is shown for Christchurch Parish in Table 5-7.

191. Overall, a combined 70% of Christchurch households live in a home with at least one extra bedroom, with only 3% living in a home likely to be smaller than their needs. Under occupancy is most common among families aged over 65 or without any children, and is also slightly more common among older single people than younger ones, with over occupancy most common in large families (typically those with children). These patterns might suggest that Christchurch's

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

larger housing isn't only being occupied by households with the most family members, but also by people with the most wealth or by older people who have not chosen or be able to move to smaller properties.

Table 5-7: Occupancy rating by age in Christchurch, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	57.1%	36.4%	6.6%	0.0%
Single person 65+	35.5%	38.3%	26.1%	0.0%
Family under 65 - no children	58.3%	32.3%	9.4%	0.0%
Family under 65 - dependent children	14.3%	37.5%	42.3%	5.9%
Family under 65 - adult children	17.8%	44.7%	31.5%	6.0%
Single person under 65	30.2%	35.2%	34.6%	0.0%
All households	33.8%	36.3%	26.8%	3.1%

Source: ONS 2011 LC4105EW, AECOM Calculations

Dwelling mix determined by life-stage modelling

Suggested future dwelling size mix

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

- The starting point is the age distribution of Christchurch households in 2011.
  - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
  - As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the parish population might evolve in future.
  - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of Christchurch Parish.
- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the

projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.

  - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area (such as the predominance of a particular type of housing that is a function of topography or degree of urban/rural rather than an expression purely of market demand).
  - The model also assumes that today's occupation patterns persist into the future, which is not a given (nor necessarily desirable), particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.

- Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in Christchurch Parish. From this we can identify how future development might best fill the gaps.
  - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.

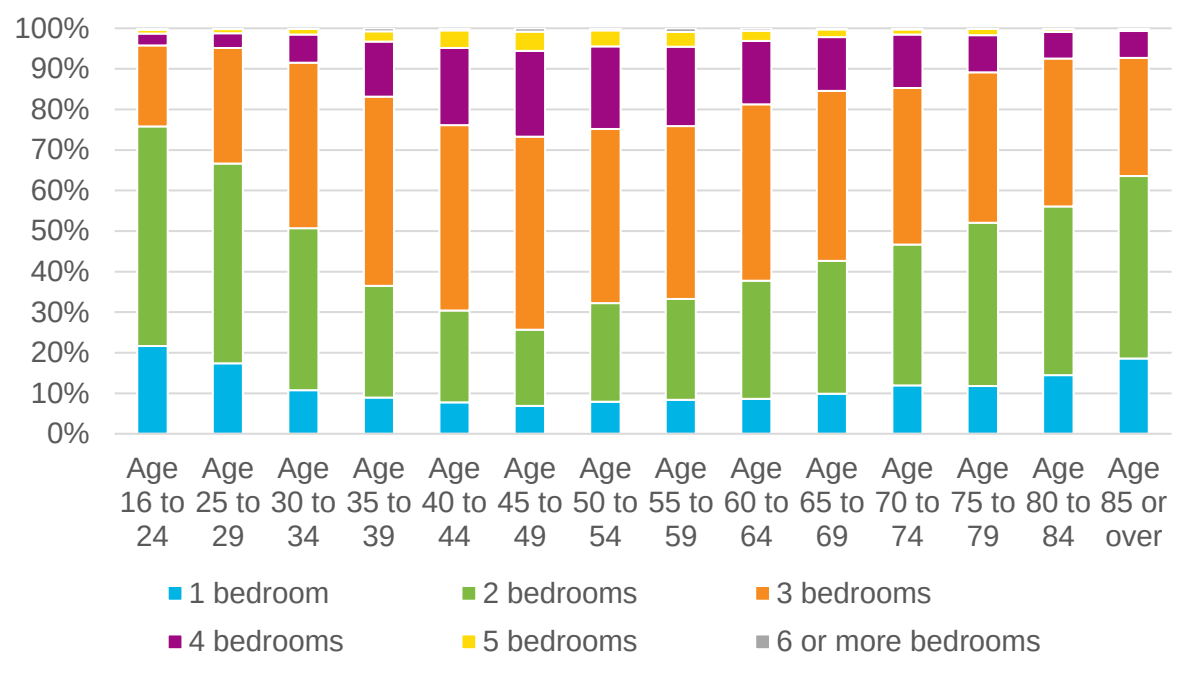
193. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more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

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

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

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

Figure 5-2: Age of household reference person by dwelling size in BCP, 2011



Source: ONS 2011, AECOM Calculations

197. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Christchurch households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-8 below makes clear that population growth can be expected to be driven by the oldest households, with significant expansion of the 65+ age group, moderate growth in the 45-64 cohort and contraction of all other age bands. The 65+ age group is projected to become 49% of the total population and a key driver of housing need in future years.

Table 5-8: Projected distribution of households by age of HRP, Christchurch

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	222	1,065	4,467	2,353	5,323
2039	188	1,051	4,096	2,562	7,706
% change 2011-2039	-15%	-1%	-8%	9%	45%

Source: AECOM Calculations

198. The final result of this exercise is presented in Table 5-9. The model suggests that the current mix of dwelling sizes in Christchurch is close to the target mix of dwelling sizes that would be needed if the population evolved as expected and current patterns of occupancy persisted. To accommodate slight movements closer to target and to maintain current proportions in a context of more development generally, the model suggests that most new homes have 2-3 bedrooms, with some 4 bedroom homes and relatively few at the small and large ends of the size spectrum. Note that even where a category should shrink in percentage terms this does not mean that the number of units should

decrease – all categories need to grow, but by different amounts to change the proportion of all housing they represent.

Table 5-9: Suggested dwelling size mix to 2039, Christchurch

Number of bedrooms	Current mix (2011)	Target mix (2039)	Balance of new housing to reach target mix
1 bedroom	12.4%	11.2%	3.2%
2 bedrooms	31.3%	33.2%	44.2%
3 bedrooms	39.9%	39.9%	38.9%
4 bedrooms	13.3%	13.1%	11.8%
5+ bedrooms	2.8%	2.6%	1.9%

Source: AECOM Calculations

199. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population. Some key points are considered here.

200. Firstly, as noted at the beginning of this chapter, recent and forthcoming delivery patterns point to an uptick in the delivery of 1 bedroom homes in particular. While this is a welcome improvement to housing choice, the model above does not recommend a large amount of 1 bedroom homes. The near-term development pipeline, in addition to recent supply, could therefore be seen as satisfying the limited need identified here. That said, there will be value in continuing to provide smaller homes going forward from an affordability and choice perspective, and to protect against the possibility that further unmet need has arisen or will do so in future. Conversely, there has been little delivery of larger housing although there is some in the pipeline. On this basis, some larger housing (ideally of a kind that is affordable to those with less buying power) should be retained in the mix.

201. A more general point is that the young starter families and downsizing older households whose needs are perceived to be unmet to some degree in Christchurch may both need ‘mid-sized’ homes, but are likely to have extremely different requirements and degrees of purchasing power. For instance, many older households owning equity from an existing home desire a reduction in space and maintenance requirements but still have relatively large budgets and high expectations in terms of location, design quality and additional features (including accessibility) that might not be shared, or seen as realistic, by younger buyers, who may be more focused on value for money or grow-on and outdoor space. It is not possible to determine the precise blend of each required in Christchurch, but it is important to recognise that size categories are not monolithic and that variety is beneficial. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing like layout and design, but additional guidance and prioritisation could be informed by further primary research.

202. In particular, to best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms, or for conversion into HMOs or apartments.

203. That said, it may not be realistic to expect growing families to be able to afford the larger detached homes that are currently under-occupied in Christchurch Parish. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a strong justification to continue supplying larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power. This is too speculative to quantify in a percentage size mix

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

Size by tenure

205. Two additional considerations are illuminated by the BCP and Dorset LHNA, which provides a recommended dwelling size mix for the slightly wider 'BCP Inner East' area and for BCP as a whole. It is always relevant to consider how the specific needs for Christchurch Parish identified here sit within the wider picture, and this can justify adjustments to the HNA recommendation if they align with the community's objectives. In this case, the LHNA does not provide an equivalent size mix for all housing as is provided in the HNA. Instead, it provides three recommended mixes for three overarching tenure categories, which are brought together in Table 5-10 here. The HNA recommendation aligns fairly closely with the market housing recommendation for Inner East in the LHNA, with it's focus on homes with 2-3 bedrooms and lack of need for 1 bedroom properties.

206. However, with the LHNA's more granular consideration of size needs by tenure it is clear that there is likely to be more demand for 1 bedroom properties from those eligible for Affordable Housing. While the potential demand for 2 bedroom affordable homes can be accommodated within the HNA mix, and there is a plentiful supply of larger homes, the LHNA mix suggests that a greater supply of 1 bedroom homes may be needed, and that this category should be targeted primarily at those in affordable tenures.

Table 5-10: Suggested dwelling size mix by tenure, BCP Inner East

Number of bedrooms	Market housing	Affordable home ownership	Affordable/social rent
1 bedroom	5%	24%	44%
2 bedrooms	33%	43%	30%
3 bedrooms	43%	25%	23%
4+ bedrooms	20%	8%	2%

Source: BCP and Dorset LHNA Tables 9.22, 9.24 and 9.26

207. It is also worth bringing these findings into contact with data from the affordable housing waiting list, supplied by BCP Council. While this data is not completely accurate to Christchurch Parish area (instead derived from a combination of wards excluding Burton and Highcliffe), it gives a reasonable indication of the blend of sizes needed in the affordable rented sector. Equivalent information for the affordable home ownership market segment is not available. The counts and percentages of the total (only including those living in the area) are as follows:

- 36 (44%) 1 bedroom
- 13 (16%) 2 bedrooms
- 32 (39%) 3 bedrooms
- 1 (1%) 4+ bedrooms

208. This is very close to the mix in the affordable/social rent column reproduced in Table 5-10, although there is a greater need among current applicants for 3 bedroom properties and less for 2 bedroom properties.

209. The LHNA and waiting list figures together would appear to justify both an overall increase in the provision of 1 bedroom housing above the HNA recommendation of 3.2% of all housing, and due consideration to be given to the tenure of housing schemes when the size mix is negotiated on each site.

210. There is no robust way to quantify how the initial HNA size mix should change and what categories should be impacted by the increase in 1 bedroom provision. However, on the basis of AECOM's professional judgement and the imperative for simplicity and applicability (in terms of rounding), a final mix is proposed in Table 5-11.

Table 5-11: Final suggested dwelling size mix for Christchurch NA, 2039

Number of bedrooms	Proposed housing mix
1 bedroom	10%
2 bedrooms	40%
3 bedrooms	35%
4+ bedrooms	15%

Source: AECOM Calculations

Conclusions- Type and Size

211. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in

the parish or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of Christchurch Parish or site within the wider housing market area and site-specific factors which may justify a particular dwelling mix.

The existing stock

212. Christchurch has a relatively balanced mix of dwelling types, with a fairly even breakdown of different types. At 22%, bungalows exist at more than double the national average. Christchurch Parish also deviates from BCP averages in having a lower concentration of flats than Bournemouth and Poole. The picture in terms of dwelling sizes is relatively well-aligned with national averages, with a large number of 3 bedroom properties and slightly higher proportions of smaller homes than England (though not than the local area, given its concentration of flats).

213. Recent development has predominantly taken the form of flats and terraced houses, a trend that is likely to have had positive implications on affordability. The future pipeline (as currently known) is composed of 78 houses and 43 flats, with a large number of 1 bedroom properties and few 3 bedroom homes. The breakdown of committed developments adds welcome diversification to the type and size mix, although (as noted in the preceding chapter) it consists entirely of market housing. While flatted development can improve the vitality of urban areas and help to meet the need for more (and more affordable) housing, the space standards and degree of genuine affordability of these homes may warrant further investigation. A fairly significant proportion of flatted units and bungalows are age-restricted or offer extra care to older households.

Demographics

214. The age structure of the population is a key indicator of the future need for housing. Christchurch Parish had a slightly younger population profile than Christchurch Borough but a significantly older one than England in 2011. Since then, estimated population change in the parish has been driven almost exclusively by older people, with double-digit percentage growth rates for the 65-84 and 85+ age bands while all younger age bands make up a lower proportion of the overall population than they did in 2011.

215. Applying household projections to the Christchurch population suggests that by 2039 the 65+ group could increase by 45% to become by far the largest age group at 49% of the total, while every age group below 54 years contracts. Older people could become the largest source of demand for housing, whether they intend to occupy the same dwellings they currently live in, or perhaps move within the community to a home better suited to the size of their household or their evolving needs.

216. This is, at least, the default demographic scenario if interventions are not made to create greater balance between age groups and household types. It can be assumed that the housing stock in Christchurch, notably the large proportion of bungalows, is a factor in the large number and recent growth in the older population. By the same token, an increase in dwelling types and sizes that tend

to attract growing families (such as mid-sized homes with outdoor space) and allow young people to remain in the area (including smaller flats and affordable housing tenures) could have an impact on how Christchurch Parish's demography evolves. There are other important factors connected to this topic, notably affordability and the availability of employment suited to different groups, but the dwelling type and size mix may be an area of focus if demographic change is an objective of the community.

217. Of Christchurch's family households, more have dependent children than no children and there is a significant proportion of households with non-dependent (i.e. older) children still living at home. That category expanded by 12% between 2001 and 2011, and the 'other' category (including HMOs, multigenerational families and students) also expanded by 31% over the same period. Both of these trends are generally seen to indicate affordability pressures.

218. Christchurch has a high rate of under-occupancy, with 70% of people living in a home with at least one bedroom more than they would be expected to need. This is not unusual locally or nationally, and can also enable occupants to re-purpose bedrooms for work or hobbies. Over occupancy is most common among families aged over 65 or without any children, and is also slightly more common among older single people than younger ones. These patterns might suggest that Christchurch's larger housing is often occupied by people with comparatively more wealth or by older people who have not chosen or be able to move to smaller properties, rather than large families with many children. Churn within the housing stock, allowing larger properties to be occupied by larger households, may be something to encourage through delivering a diverse range of new homes that widen choices for all groups.

The future dwelling mix

219. The results of a life stage modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the Plan period, suggests that the current mix of dwelling sizes in Christchurch is close to the target mix of dwelling sizes that would be needed if the population evolved as expected and current patterns of occupancy persisted. To accommodate slight movements closer to that target state, the model suggests that most new homes have 2-3 bedrooms, with some 4 bedroom homes and relatively few at the small and large ends of the size spectrum.

220. The result of this model is a relatively blunt measure of what could be beneficial in future years. It is a starting point for thinking about how best to address the more nuanced needs of the future population. Key areas of flexibility include:

    - Less 1 bedroom housing and more larger housing (ideally of a kind that is affordable to those with less buying power) should be reflected in the baseline mix to respond to recent and forthcoming delivery patterns. This is a general recommendation informed by the overrepresentation of 1 bedroom housing currently, and therefore should not inhibit the development of further 1 bedroom housing if this is needed by those on the register for affordable housing in particular;

- The young starter families and downsizing older households whose needs are perceived to be unmet to some degree in Christchurch may both need 'mid-sized' homes, but are likely to have extremely different requirements (including the degree of accessibility, amount of outdoor space, proximity to local amenities) and degrees of purchasing power;
- It should be considered whether the existing options for older people (notably the large number of bungalows) are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Facilitating downsizing among older households may release larger homes (bungalows and otherwise) for use by families who need more space, subject to affordability considerations;
- The preceding chapter found that affordability is a serious and worsening challenge in Christchurch Parish. 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 – particularly young and newly forming households. Continuing to provide smaller homes with fewer bedrooms would help to address this situation, as would rooms in shared houses (HMOs); and
- The LHNA provides three recommended size mixes for the Christchurch area for three overarching tenure categories. The HNA recommendation aligns fairly closely with the market housing recommendation but it is clear that there is likely to be more demand for 1 bedroom properties from those eligible for Affordable Housing. The LHNA mix – corroborated by affordable housing waiting list data provided by BCP Council – suggests that a greater supply of 1 bedroom homes may be needed, and that this category should be targeted primarily at those in affordable tenures.

221. There is no precise way to quantify how the initial HNA size mix should change to reflect the above factors, some of which point in opposite directions. However, on the basis of AECOM's professional judgement and the imperative for simplicity and applicability (in terms of rounding), a final mix is proposed as follows. The 1 and 4+ bedroom homes are particularly needed in affordable housing tenures, and the proportions indicated here may need to increase in response to the evolving needs expressed on the affordable housing register.

- 10% 1-bedroom
- 40% 2-bedrooms
- 35% 3-bedrooms
- 15% 4+ bedrooms.

222. In terms of dwelling type, this study cannot be prescriptive about what types are 'needed', but there is a balance to be struck between, on the one hand, improving choice in the market by encouraging types that are less plentiful at present, and, on the other hand, responding to the clear affordability challenge and ageing of the population by supplying smaller flats, enabling HMOs, and expanding the specialist stock for older people.

6. RQ 3: Specialist housing for older people

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

Introduction

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

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

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

225. 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.

226. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,[5] which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

227. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline

[5] Available at https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/

as opposed to the projected new households which form the baseline for estimating housing need overall.[6]

228. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).[7] Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for the elderly) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.

Current supply of specialist housing for older people

229. When determining a target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: http://www.housingcare.org.

230. Table 61- below (with full detail provided in Appendix B) counts a total of 51 schemes providing specialist housing for older people in Christchurch Parish at present, offering a total of 1,021 units. There are also 7 care homes offering a total of 263 bed spaces. The label 'retirement housing' refers to schemes that are age-exclusive and may offer some offsite care and an alarm service but are not classified as having onsite extra care.

231. While there is clearly a large quantity of specialist accommodation in Christchurch, it is important to consider the provision of different tenure and care categories.

232. While many more of the specialist schemes are offered for social rent (36 of 51), they are generally smaller than the schemes offered for market purchase, so the balance of affordable to market housing by number of units is 609 to 412, or 60% to 40%. Within the market provision 354 of 412 units are for leasehold purchase, with just 58 in schemes that offer shared ownership and freehold options. This emphasis on leasehold is not unusual nor necessarily problematic.

233. In terms of the level of care offered, the picture is far more imbalanced. 965 (or 95%) of the specialist units in Christchurch are retirement / age exclusive properties with no or minimal onsite care. The 56 extra care units are all in social rented tenures, meaning there are no market housing options with extra care. There are, however 263 bed spaces in care homes which, while not housing in the strict sense, will absorb demand from this segment of the market.

234. ONS 2020 population estimates suggest that there are currently around 4,716 individuals aged 75 or over in Christchurch. This suggests that current provision

[6] Se6e Paragraph: 017 Reference ID: 2a-017-20190220, at https://www.gov.uk/guidance/housing-and-economic-development-need7s-assessments)
[7] For 8a full description of Planning Use Classes, please refer to https://9www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

of specialist accommodation is in the region of 216 units per 1,000 of the 75+ population (a common measure of specialist housing supply), or 272 if care home provision is included. The HLIN model used later in this chapter targets 251 units per 1,000 people aged 75+, so existing provision appears to be fairly well aligned with the existing population, in terms of overall numbers if not in terms of breakdown by tenure and type.

Table 6-1: Summary of existing specialist housing for the elderly in Christchurch

	Social rent	Market purchase	Total
Retirement housing	553	412	965
Extra care	56	0	56
Total	609 (across 36 schemes)	412 (across 15 schemes)	1,021 (across 51 schemes)

Source: http://www.housingcare.org

Tenure-led projections

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

236. 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. 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.

237. According to Table 6-2 below, the vast majority of older households across the former Borough were homeowners (compared to 74% across the population as a whole). Of the remainder, the vast majority were living in social rented rather than private rented accommodation.

Table 6-2: Tenure of households aged 55-75 in BCP, 2011

All owned	Owned outright	Owned with a mortgage or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
86.6%	63.5%	23.1%	13.4%	11.9%	1.4%	0.1%

Source: Census 2011

238. The next step is to project how the overall number of older people in Christchurch NA is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for former Christchurch Borough at the end of the Plan period. The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level.

The results are set out in Table 6-3. They suggest that the 75+ population of Christchurch can be anticipated to increase by 2,249 or 53% on 2011 levels to become nearly 20% of the total population.

239. Note that 2011 had to be used as the base year here because there are no 2020 population estimates for former Christchurch Borough and no 2039 projections for BCP. Taking former Christchurch's 'fair share' of the 2020 population estimate for BCP based on 2011 Census figures would have skewed the data to produce an unrealistically higher projection of the growth in the older population because of the significantly younger demographic of other parts of BCP.

Table 6-3: Modelled projection of elderly population in Christchurch by end of Plan period

Age group	2011 Christchurch NA (Census)	Christchurch Borough (Census)	2039 Christchurch NA (AECOM calculation)	Christchurch Borough (SNPP 2018)
All ages	30,393	47,752	33,922	53,297
75+	4,229	7,644	6,478	11,710
%	13.9%	16.0%	19.1%	22.0%

Source: ONS SNPP 2020, AECOM Calculations

240. A key assumption for the next stages of the calculation is that the older people living in Christchurch Parish 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).

241. The people whose needs are the focus of the subsequent analysis are therefore the additional 2,249 individuals expected to join the 75+ age group by the end of the Plan period. This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in former Christchurch Borough in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 7,644 individuals aged 75+ and 5,528 households headed by a person in that age group. The average household size is therefore 1.38, and the projected growth of 2,249 people in Christchurch can be estimated to be formed into around 1,629 households.

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

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

Owned	Owned outright	Owned with a mortgage or shared ownership	All rented	Social rented	Private rented	Living rent free
1411	1035	376	218	194	23	1

Source: Census 2011, ONS SNPP 2020, AECOM Calculations

243. Next, rates of disability by tenure are considered. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table 6-5 below presents this data for Christchurch parish from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

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

Tenure	All categories	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories: Tenure	**7,797**	**1,649**	**21.1%**	**2,129**	**27.3%**	**4,019**	**51.5%**
Owned or shared ownership: Total	**6,523**	**1,229**	**18.8%**	**1,751**	**26.8%**	**3,543**	**54.3%**
Owned: Owned outright	5,783	1,072	18.5%	1,575	27.2%	3,136	54.2%
Owned: Owned with a mortgage or loan or shared ownership	740	157	21.2%	176	23.8%	407	55.0%
Rented or living rent free: Total	**1,274**	**420**	**33.0%**	**378**	**29.7%**	**476**	**37.4%**
Rented: Social rented	953	325	34.1%	289	30.3%	339	35.6%
Rented: Private rented or living rent free	321	95	29.6%	89	27.7%	137	42.7%

Source: DC3408EW Health status

244. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 781.

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

Table 6-6: AECOM estimate of specialist housing need in Christchurch 2011-2039

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	Multiply the number of people across all rented tenures (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	Multiply the number of people across all owner-occupied housing by the percent of occupiers in that tenure who have day to day activity limitations limited a lot	338
	72	266	
Adaptations, sheltered, or retirement living	Multiply the number of people across all rented housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	Multiply the number of people across all owned housing by the percent of occupiers in that tenure who have day to day activity limitations limited a little	443
	65	379	
Total	137	644	781

Source: Census 2011, AECOM Calculations (totals may not sum exactly due to rounding)

Housing LIN-recommended provision

246. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the most simple and widely used models estimating for the housing needs of older people. Table 6-7 reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide to the numbers of specialist dwellings for older people that should be provided given the increase in their

numbers over the Plan period, and how these should be split into the different tenures.

247. It is worth highlighting that the HLIN model suggests that the level of unmet demand for specialist housing for older people of all kinds is approximately 251 units per 1,000 of the population aged 75+.

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

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

Source: Housing LIN SHOP Toolkit

248. As Table 6-3 shows, Christchurch is forecast to see an increase of 2,249 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 2.249 = 135
- Leasehold sheltered housing = 120 x 2.249 = 270
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = 20 x 2.249 = 45
- Extra care housing for rent = 15 x 2.249 = 34
- Extra care housing for sale = 30 x 2.249 = 67
- Housing based provision for dementia = 6 x 2.249 = 13

249. This produces an overall total of 564 specialist dwellings which might be required by the end of the plan period.

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

Table 6-8: HLIN estimate of specialist housing need in Christchurch 2011-2039

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia	Includes: enhanced sheltered housing for sale + extra care housing for sale	160
	70	90	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	405
	135	270	
Total	**205**	**360**	**565**

Source: Housing LIN, AECOM calculations

LHNA findings and limitations

251. The BCP and Dorset LHNA identified a need for 520 units of housing with support (282 market + 239 affordable) and 1,633 units of housing with care (813 market and 820 affordable) across BCP from 2021-2038. The total need is therefore 2,153 for an area extending far beyond Christchurch parish or Borough. This segment of housing need was not broken down to sub-areas.

252. The range of 565-781 identified for Christchurch Parish here looks high in relation to this wider estimate, even though the Christchurch population is significantly older than the urban centres of Bournemouth and Poole. One explanation is that the LHNA considers need from 2021 to 2038. This was not possible in the HNA due to data limitations arising from the relatively recent formation of the unitary authority.

253. The HNA estimates presented above focus on the needs of the growth of the older population between 2011 and 2039, some of which has already taken place and may have been accommodated (though this is not certain) by the relatively plentiful existing supply of specialist housing and any additional delivery in recent years. Although BCP only began to quantify this separately in its completions monitoring from 2019, the descriptions for each scheme in the completions data between 2015 and 2019 gives an indication but suggests that no specialist schemes have been delivered during this time (although 48 units were delivered in nearby Highcliffe beyond Christchurch Parish boundary). This does not exclude the possibility that schemes have been delivered between 2011 and 2015, nor that others have been delivered but not clearly categorised as elderly accommodation.

254. The lower need of the wider area and the limitation with the time horizon of the HNA estimates may justify a reduction in the potential demand identified here, although it is not possible to specify how much. One recommended option

would be to aim to accommodate the lower bound estimate of 565 than the upper bound of 781.

255. It is important to note that this estimate of need has an unspecified degree of overlap with any overall housing target for Christchurch. It is not additional to any such target, but it would also not necessarily be appropriate for 565 units of any total target to be dedicated to specialist housing leaving the remainder for other forms of housing. A judgement needs to be made when the housing target for Christchurch is confirmed about how far each of the components of need, notably specialist housing and affordable housing, can be accommodated within the overall figure and how they should be weighted. Given the scale of potential need for specialist housing identified here, it may need to be accepted that not all of the need can be delivered, with priority potentially being given to other forms of housing, or to the need to provide balance and choice in the housing supply overall.

Conclusions- Specialist Housing for Older People

Demographic trends and the quantity of accommodation needed

256. There are approximately 1,021 units of specialist accommodation in Christchurch at present. This equates to roughly 216 units per 1,000 of the current 75+ population (a common measure of the rate of specialist housing provision).

257. The current stock of specialist properties is split 60% to 40% between social rent (classified as rented from a social landlord though in some cases this may be affordable rather than social rent) and market ownership (primarily leasehold). The picture is less well-balanced when it comes to the level of care available. 95% of specialist dwellings have no or minimal onsite care, and the 56 units that do offer extra care are all within the social rented stock. That said, there are a further 263 bedspaces in care homes across Christchurch Parish, which could help to meet any need among the older population requiring care and having either the funds to pay for a care home or state support.

258. ONS 2020 population estimates suggest that there are currently around 4,716 individuals aged 75 or over in Christchurch. This is projected to grow to 6,478 by 2039.

259. 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 Christchurch Parish. This can be sense-checked using a toolkit based on national research and assumptions.

260. These two methods of estimating the future need in Christchurch produce a range of 565 to 781 additional specialist accommodation units that might be required to 2039 (with a base date of 2011). These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated in the existing stock of specialist

housing or through adaptations to their own homes. If this is found not to be the case, it would justify aspiring to meet the upper bound of the range identified here.

261. It is also relevant to note two caveats that would justify a focus on the lower end of this range. First, the pool of additional older households is taken from a baseline in 2011 rather than 2022, some of whom may have been accommodated in the existing stock, any new supply (though none is indicated in BCP monitoring data) or through adaptations to their own homes. Second, the BCP LHNA's assessment of need for the wider local authority area is low relative to the findings here for Christchurch.

262. The provision of 565 additional specialist dwellings represents an increase of 55% on current levels. This is relatively large in a short space of time, although it does reflect the ever-accelerating ageing of the population both nationwide and locally. This estimate represents the potential demand that might ideally be met rather than a firm requirement.

263. It is important to note that this estimate of need has an unspecified degree of overlap with any overall housing target for Christchurch. It is not additional to any such target, but it would also not necessarily be appropriate for 565 units of any total target to be dedicated to specialist housing leaving the remainder for other forms of housing. A judgement needs to be made when the housing target for Christchurch is confirmed about how far each of the components of need, notably specialist housing and affordable housing, can be accommodated within the overall figure and how they should be weighted. Given the scale of potential need for specialist housing identified here, it may need to be accepted that not all of the need can be delivered, with priority potentially being given to other forms of housing, or to the need to provide balance and choice in the housing supply overall.

264. Regarding the pipeline supply of specialist accommodation, a list of relevant Local Plan sites provided by BCP council suggests that one site (Fairmile House, Tasman Close) is earmarked for care or retirement provision with a capacity of 52 units. The snapshot of committed sites that were not yet complete or started in 2019-21 monitoring years counts no specialist units but does tally 22 care home spaces across three different developments. In addition, a forthcoming retirement development of 40 leasehold age-exclusive properties on Bridge Street, is also advertised as completing in 2023 on the housingcare.org website. It is apparent that some further provision of specialist accommodation in the near term can be expected, but the quantity that is currently identified will make little impact on the potential scale of need identified here.

Characteristics of need for specialist housing

265. The overall range described above includes housing at various levels of support as well as both market and affordable housing. The split between market and affordable dwellings will likely be required to follow the split set in the Local Plan for all housing (35% affordable), rather than being considered separately for

specialist accommodation. 35% falls between the proportion of affordable need in the two estimates in the analysis of older people's needs (18% and 36%), and would appear to be broadly appropriate. The Affordable Housing waiting list data provided by BCP Council does not disaggregate applicant households who are over 55 or have support needs. If this is captured in future monitoring it will provide helpful insight about the suitability of the default Local Plan tenure mix.

266. The balance between retirement (age-limited) housing and housing with extra care (such as an onsite carer) in the two estimates provided here is similar, with extra care making up 28% in one estimate and 43% in the other. This suggests broadly that more of the need is for retirement housing than extra care housing. However, as noted above, the existing stock of specialist housing is 95% retirement housing to 5% extra care. Despite the existence of 263 care home bed spaces it would appear that there is a clear gap in the market for independent living options with onsite additional care in Christchurch. The current absence of this form of accommodation would justify a significant increase, and a greater emphasis on this type insofar as addressing the existing imbalance can be influenced by Neighbourhood Plan policy.

Accessibility standards

267. The larger quantity of need for retirement (as opposed to extra care) housing is by definition driven by those with less severe support needs, which have the potential to be met though adaptations to the existing housing stock.

268. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period (at least relative to the range of need identified here), another avenue open to the Neighbourhood Plan is to aim for standards of accessibility and adaptability in new development to be met at more ambitious levels than currently mandated. However, this is a key area of focus for the emerging BCP Local Plan, which recommends a policy requirement for all homes to meet category M4(2) of building regulations for accessibility, and 10% of homes meet the M4(3) standard for wheelchair accessibility.

269. With this ambitious target there appears to be little justification for the Christchurch Neighbourhood Plan to diverge (an option that would in any case require the support of BCP). However, the evidence here would further support this policy avenue at local authority scale, and this may be something that the Neighbourhood Plan may wish to echo.

7. Next steps

270. This Neighbourhood Plan housing needs assessment aims to provide Christchurch 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 BCP 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 BCP 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 BCP Council.

271. 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.

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

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

Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

274. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Plan area. Locally specific income data is available at MSOA level, which often does not align exactly with neighbourhood plan areas.

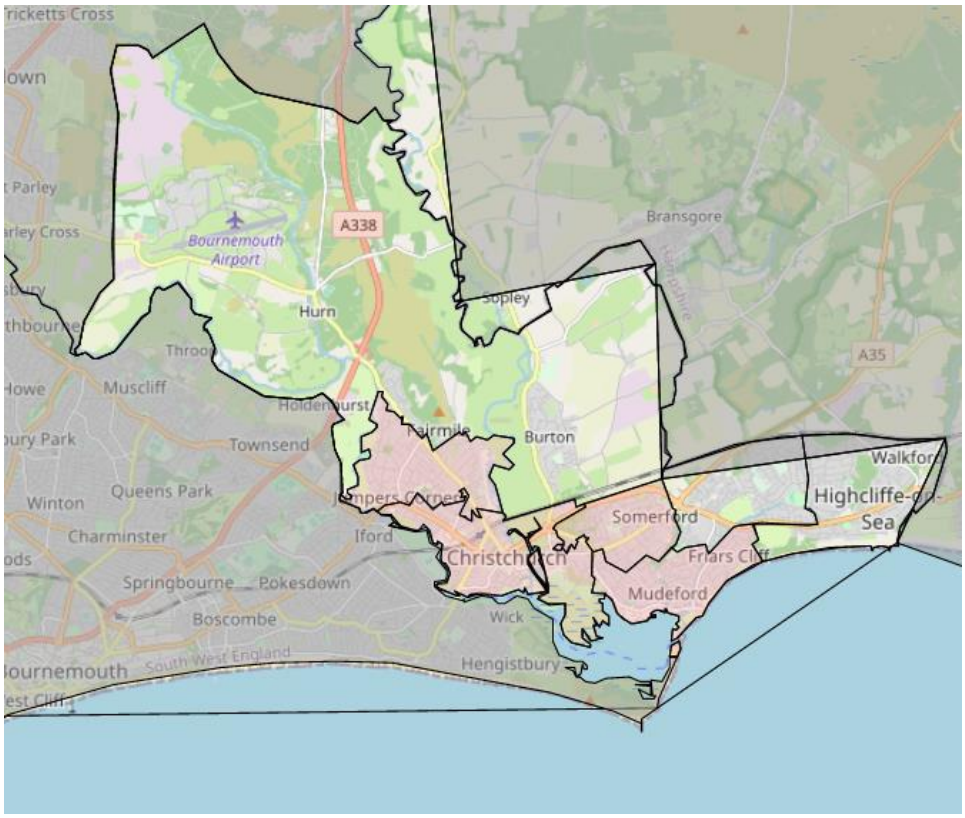
275. As such, when calculating affordability thresholds, a proxy area composed of MSOAs needs to be selected that. In the case of Christchurch, Christchurch Parish is composed of four MSOAs plus part of a fifth. These are listed in the context section of this report, and shown in the map in Figure A-1. The four MSOAs entirely within Christchurch Parish boundary are shaded in pink on the map, and the fifth is the area directly to the north which encompasses Bournemouth Airport, Hurn and Burton and Winkton. Because more of this fifth MSOA is outside of Christchurch Parish than within it, the proxy area proposed here is the four MSOAs that fall entirely within Christchurch Parish only.

276. The average annual household income for each of the areas is as follows:

    - E02004237 (Jumpers Corner): £42,200
    - E02004240 (Somerford, Purewell): £35,100
    - E02004241 (Town Centre): £36,900
    - E02004242 (Mudeford, Friars Cliff): £39,800
    - E02004239 (Airport, Burton – **excluded**): £41,300

277. There is a fair amount of variation between the sub-areas that is important to bear in mind. However, for the purpose of this study the unit of analysis is the best-fit proxy for the whole NA. The mean average of the four average annual household incomes is £38,500.

Figure A-1: MSOA proxy area for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

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

279. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

i) Market sales

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

281. 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 Christchurch, 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.

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

- Value of a median NA house price (2021) = £375,000;
- Purchase deposit at 10% of value = £37,500;
- Value of dwelling for mortgage purposes = £337,500;
- Divided by loan to income ratio of 3.5 = purchase threshold of £96,429.

283. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2021 was £274,000, and the purchase threshold is therefore £70,457.

284. Finally, it is worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records just 1 sale of new build properties in Christchurch Parish in 2021, none in 2020 and 4 in 2019. There were, however, 48 in 2018 and between 15 and 60 in each of the preceding years. The vast majority of sales in every year were flats.

285. Because the sample size of recent transactions in Christchurch Parish is so small and homogenous in terms of type, it is useful to consider the costs of new build housing across BCP, where there were 144 transactions in 2021, even though it is recognised that these will include properties in Bournemouth, Poole and elsewhere which are within the same housing market area as Christchurch but may not accurately represent the local housing stock. The median newly build home across BCP sold for £336,750 and varied by type from £300,000 for the median flat to £410,000 for the median detached house. The affordability threshold for the overall median is £86,593. It is lower than that for the median existing home in Christchurch because the average is dominated by entry-level homes (notably flats) and as such most closely represents new entry-level housing.

286. These average prices are broadly in line with those of the few new build houses that have sold in Christchurch in recent years (2 terraces in 2019 at a median of £325,000 and 7 semi-detached in 2019 at a median of £345,500). The new build average for flats across BCP appears significantly higher than recent sold values of flats in Christchurch at first glance. Flats at the Barrack Court development that dominates the sample with 27 sales in 2018 had a median price of £165,000 and did not exceed £170,000. However, these flats do not appear to be representative of the Christchurch market as a whole. The other flats sold in 2018 at Monterey (Royal Close) had a median price of £320,000, values that are in line with other developments in previous years (e.g. Priory Lodge, The Old Sorting Office and Sofia House).

287. Following this sense-checking exercise it is considered appropriate for BCP new build averages to stand in for the broad values of newly built housing likely to come forward in Christchurch in future years. The overall median of £336,750 would appear a suitable benchmark for the value of affordable home ownership products (First Homes and shared ownership) as this figure reflects the values of entry-level homes, notably flats and terraces.

ii) Private Rented Sector (PRS)

288. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.

289. 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.

290. The property website Home.co.uk provides rental values for property in the Neighbourhood Plan area. According to home.co.uk, there were 30 properties for rent in Christchurch at the time of search in March 2022. The overall median monthly asking rent was £1,200, however this can be subdivided by number of bedrooms. The median monthly rent for a 1 bedroom property was £825 (sample of 6), for 2 bedrooms £1,195 (sample of 11), for 3 bedrooms £1,575 (sample of 7), and for 4 bedrooms £1,995 (sample of 5).

291. The Town Council are interested in the rental costs of rooms in shared houses (HMOs). To supplement the above figures, a further search was conducted in May 2022 on Rightmove to identify rooms in shared houses. However, at the time of search there were no listings of such properties.

292. The calculation for the private rent income threshold for 1 bedroom dwellings is as follows:

- Annual rent = £825 x 12 = £9,900;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £33,000.

293. The calculation is repeated for the 2 bed average to give an income threshold of £47,800. The affordability thresholds for 1 and 2 bedroom properties will be the focus of this assessment because they service the entry-level segment of the market where affordability is of greatest concern. However, it is worth noting here that the income required for the 3 bedroom average would be £63,000 and for 4 bedrooms it would be £79,800, creating potentially insurmountable affordability barriers for households on lower incomes with large families.

A.3 Affordable Housing

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

i) Social rent

295. 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.

296. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so former Christchurch (the relevant local authority at the time of the most recent data return on this subject) must act as a proxy for Christchurch NA. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for former Christchurch distric in the table below.

297. 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 might make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£94.61	£104.86	£119.87	£134.08	£107.48
Annual average	£4,920	£5,453	£6,233	£6,972	£5,589
Income needed	**£16,383**	**£18,158**	**£20,757**	**£23,217**	**£18,611**

Source: Homes England, AECOM Calculations

ii) Affordable rent

298. 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).

299. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families

under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.

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

301. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in Christchurch Parish 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 A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£110.97	£142.18	£174.47	-	£140.39
Annual average	£5,770	£7,393	£9,072	-	£7,300
Income needed	£19,216	£24,620	£30,211	-	£24,310

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

302. 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.

303. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major housing development is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

First Homes

304. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.

305. The starting point for these calculations is therefore the estimated cost of new build housing in Christchurch, taken from the average new build price in BCP in 2021 of £336,750.

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

- Value of a new home (LA average) = £336,750;
- Discounted by 30% = £235,725;
- Purchase deposit at 10% of value = £23,573;
- Value of dwelling for mortgage purposes = £212,153;
- Divided by loan to income ratio of 3.5 = purchase threshold of £60,615.

307. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £51,956 and £43,296 respectively.

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

309. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq m and a build cost of £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in Christchurch.

Shared ownership

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

311. 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.

312. 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).

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

- A 25% equity share of £336,750 is £84,188;
- A 10% deposit of £8,419 is deducted, leaving a mortgage value of £75,769;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £21,648;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £252,563;
- The estimated annual rent at 2.5% of the unsold value is £6,314;
- This requires an income of £21,047 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £42,695 (£21,648 plus £21,047).

314. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £33,916 and £57,328 respectively. These are again below the £80,000 cap for eligible households.

Rent to Buy

315. 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)

316. 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.

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

Appendix B: List of specialist housing schemes

Table B-1: Existing specialist housing for the elderly in Christchurch

	Name	Units	Tenure	Type
1	Hanover Lea	30	Social rent	Retirement housing
2	Catherine Wheel Gardens	23	Leasehold and freehold purchase	Retirement housing
3	Canberra Road	2	Social rent	Retirement housing
4	Melbourne Road	1	Social rent	Retirement housing
5	Rutland Road	10	Social rent	Retirement housing
10	Sydney Road	9	Social rent	Retirement housing
11	Brisbane Road	2	Social rent	Retirement housing
12	Perth Close	7	Social rent	Retirement housing
13	Fairmile Road	8	Social rent	Retirement housing
14	Monterey	35	Shared ownership and leasehold	Retirement housing
15	Endfield Road	3	Social rent	Retirement housing
16	Cairns Close	12	Social rent	Retirement housing
17	Blenheim Court	66	Leasehold	Retirement housing
18	Bure House	44	Social rent	Extra care
19	Dorset Grange	18	Social rent	Retirement housing
20	Grove Court	8	Social rent	Retirement housing
21	Barrack Road	6	Social rent	Extra care
22	Fairmile	42	Social rent	Retirement housing
23	Fairmile Road	1	Social rent	Retirement housing
24	Sunrise Court	6	Social rent	Extra care
25	Winston & Kenilworth Courts	42	Social rent	Retirement housing
26	Surereed Court	4	Social rent	Retirement housing
27	Homestour House	41	Leasehold	Retirement housing
28	Orchard Mews	13	Leasehold	Retirement housing
29	Homelands Estate	168	Social rent	Retirement housing
30	Riverland Court	69	Leasehold	Retirement housing

31	Fleur-de-Lis	26	Leasehold	Retirement housing
32	Priory Court	21	Social rent	Retirement housing
33	Priory Lodge	44	Leasehold	Retirement housing
34	Staniforth Court	12	Social rent	Retirement housing
35	Homechurch House	34	Leasehold	Retirement housing
36	Monkswell Green	18	Social rent	Retirement housing
37	Irvine Way	4	Social rent	Retirement housing
38	Burton Road	6	Social rent	Retirement housing
39	Edward Road	11	Social rent	Retirement housing
40	Scotts Green	25	Social rent	Retirement housing
41	Southey Road	3	Social rent	Retirement housing
42	Draper Rpad	10	Social rent	Retirement housing
43	Livingstone Road	8	Social rent	Retirement housing
44	Dairy Close	2	Social rent	Retirement housing
45	Purewell	22	Social rent	Retirement housing
46	Anvil Court	6	Social rent	Retirement housing
47	Purewell Close	30	Leasehold	Retirement housing
48	Stroud Park Avenue	2	Social rent	Retirement housing
49	Stroud Lane	8	Social rent	Retirement housing
50	Coastal Cottages	31	Leasehold	Retirement housing
51	The Anchorage	28	Social rent	Retirement housing
1	Queensmead	40	-	Care home
2	Avon View	80	-	Care home
3	Fairmile Grange	80	-	Care home
4	Brook House	11	-	Care home
5	The Laurels	20	-	Care home
6	Naseby Care Home	21	-	Care home
7	Avondene	11	-	Care home

Source: http://www.housingcare.org

Appendix C: Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

Assessing affordability involves comparing 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). 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[8].

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard[9]

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

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

[9] See https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order[10]

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)[11]

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

Equity Loans/Shared Equity

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

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

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

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the Plan period on the basis of changes in the distribution of household types and key age brackets (life stages) within Christchurch Parish. 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 Christchurch Parish 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 Borough 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[12], i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

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

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[13]

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

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

usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for the Elderly

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.[14]

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

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