

Sandhurst

Housing Needs Assessment (HNA)

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Quality information

Prepared by	Checked by	Approved by
Fraser Young Environmental Consultant	Paul Avery Principal Housing Consultant	Paul Avery Principal Housing Consultant

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Prepared for: Sandhurst Neighbourhood Plan Steering Group

Prepared by:

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

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List of acronyms used in the text:

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

1. Executive Summary

- 1.1 Sandhurst is a Neighbourhood Area (NA) located in the borough of Tunbridge Wells. The NA boundary covers the areas administered by Sandhurst Parish council.
- 1.2 The 2021 Census recorded 1,417 individuals in Sandhurst, indicating a decrease of 61 people since the 2011 Census.
- 1.3 There has been some development in Sandhurst in recent years. Tunbridge Wells has provided data showing that 41 new homes have been built since 2011. Unfortunately TWBC do not break these down by market versus affordable, dwelling type or number of bedrooms. As of January 2024, outstanding commitments (dwellings on sites with planning permission) total 20-30 homes. It should be noted that, due to the examination process, there may be further amendments to Local Plan policy and therefore the possibility for additional sites to be allocated in the NA.
- 1.4 The 2021 Census calculates Sandhurst's total dwellings as 586, an apparent slight decrease from the 2011 Census calculation of 603 dwellings. The change from 2011 to 2021 in the Census is in line with the population decrease across the same time period. However the change from 2011 to 2021 in the Census is not pure new development – it also reflects changes to the existing stock, such as extensions.
- 1.5 This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Sandhurst Neighbourhood Plan Steering Group at the outset of the research.
- 1.6 Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.

Affordability and Affordable Housing

Current tenure profile

- 1.7 Beginning with housing tenures, this chapter finds that the most common tenure type in Sandhurst is private ownership, accounting for 73% of the total mix – this is considerably higher than the equivalent proportions of private rent in England (63%) and Tunbridge Wells (66%). Social rent and private rent account for much smaller proportions in Sandhurst's tenure mix (15% and 11%, respectively).
- 1.8 Interestingly, private rent tenures fell considerably in Sandhurst across in the last ten years (by 21.2%), more than social rent tenures and Shared ownership which

fell by 3.5%, and 16.7% respectively), while home ownership continued to become more common.

Affordability

- 1.9 There is a large gap between the spending power of average earning households (£47,300 in 2020) and those earning the lowest 25% of incomes, particularly where the household in question has one earner only (£20,835 in 2020). Nevertheless even average earning households, fall below the affordability threshold required to afford an average home through market ownership. The median house price would require an annual income 134% higher than the current average.
- 1.10 The unaffordability of average market ownership for average earning households is driven by strong house price appreciation in the Parish over the past ten years: both the median and mean NA house prices are above those of wider Tunbridge Wells prices (17.5% and 4.7% higher, respectively), which suggests the NA is a particularly high-value area within the borough. However, this difference also reflects the differences in the housing mix, with a greater proportion of detached and semi-detached homes in the NA when compared to the LA – discussed further in section **5: Type and Size**.
- 1.11 An offering of Affordable Housing tenures would be beneficial in Sandhurst to widen access to those with varying home ownership/renting aspirations:
- Based on AECOM's calculations, First Homes at all discount levels would not be valuable for bringing home ownership to within affordable levels for average or lower earning households. However a share of 10% of all new housing, and 25% of all new affordable housing, is required to be delivered on First Homes tenures as discussed in **Appendix D**. The maximum discount level of 50% is recommended, even though it would still primarily benefit above-average earners.
 - If Rent to Buy is offered at a discount to *entry level* rents, this would slightly expand this route to home ownership in the NA. However 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. Therefore, a small offering of Rent to Buy tenures will be useful for households who lack sufficient deposits rather than sufficient incomes.
 - Shared Ownership is also a viable route to home ownership for average earning households (at all equities) and households with two lower quartile earners (at the 10% and 25% equities).
 - The evidence in this chapter suggests that the affordable rented sector performs a vital function in Sandhurst as the only option for a large segment of those in the greatest need.

Affordable Housing Needs

- 1.12 AECOM's estimates outlined in Table 4-5 and Table 4-6 below, would suggest that most new affordable dwellings in Sandhurst should be in affordable

ownership tenures with a potential demand for 5.2 affordable home ownership dwellings per annum and an expected long-term surplus of affordable rented dwellings. The 2017 SHMA identified a borough-wide need for 277 affordable dwellings annually over the 2015-35 period. The SHMA supports the outcome of AECOM estimates pointing towards a need to provide some housing as affordable home ownership (i.e. intermediate housing) which would normally be in the form of shared ownership, though it could also justify aspiring to deliver some affordable rented housing to meet the small current backlog if this aligns with the objectives of the community.

Affordable Housing policy

1.13 Table 4-8 summarises Sandhurst's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation, and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

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

	Step in Estimation	Expected delivery
A	Residual housing requirement commitments	20-30 (25 will be used for the purposes of this calculation)
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	10
D	Rented % (e.g. social/ affordable rented)	50%
E	Rented number (C x D)	5
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	50%
G	Affordable home ownership number (C x F)	5

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

1.14 10 Affordable homes, based on the Local Plan allocations and targets, is far below AECOM's estimate potential demand for 5.2 affordable home ownership dwellings per annum in Sandhurst, equating to a total of 78 over the Neighbourhood Plan period. Should the community wish to promote the delivery

of more Affordable Housing, an exception site or additional allocations may be required.

Type and Size

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

The current housing mix

1.16 The 2021 Census data presents that Sandhurst's dwelling type mix is dominated by semi-detached and detached houses, accounting for approximately 89% of the overall stock in 2021. Flats and terraced housing accounts for a much smaller percentage of dwellings, at around 4% and 7% respectively. There is a corresponding lack of 1-bedroom properties in Sandhurst, which only represented 5% of the overall stock in 2021.

1.17 The NA is instead dominated by larger dwellings, specifically 3 and 4+ bedroom housing, which represent 38% and 34% of the housing stock in 2021. Interestingly, the percentage of 4+ bedroom housing has increased dramatically since 2011, with a stark decrease in 2-bedroom and 3-bedroom properties, which fell by 17% and 7%, respectively between 2011 and 2021 – likely due to extensions and other changes in the course of new development.

Population characteristics

1.18 As with most areas in the UK, Sandhurst's population appears to be ageing, and will continue to do so over the Neighbourhood Plan period; between 2011 and 2021 the older age categories of both 65-84 and 85 and over grew substantially at 21% and 65% respectively. As expected, the three remaining younger age categories are considerably underrepresented when compared to the borough and nation.

1.19 The issue of ageing is a key concern for Sandhurst Neighbourhood Plan Steering Group, who perceive that the area's ageing population should be supported by policies in the emerging Neighbourhood Plan. Focussing future delivery towards smaller-sized dwellings would help to accommodate older households. Facilitating downsizing could increase the number of mid to larger sized dwellings available on the market to other family groups. (Further information on the specialised housing needs of older people is presented in the subsequent chapter.)

Future population and size needs

- 1.20 It may be appropriate for new dwellings in the Parish to contribute toward the creation of more variety in Sandhurst's' dwelling stock, by offering a range of dwelling types and sizes, with a slight preference towards smaller dwellings: overall, it is recommended that around 70% of new dwellings should be two-or-fewer-bedrooms and just under 20% should be four-or-more-bedrooms.
- 1.21 In summary, it is expected that if current trends persist, and the goal is to accommodate these demographic shifts, then future housing delivery in Sandhurst should prioritise the provision of dwellings that would be appropriate to accommodate the area's growing elderly population, a goal which reflects the Village Survey in 2014 (see Figure 5.3).
- 1.22 It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

Specialist Housing for Older People

Current stock and demographics

- 1.23 There are 0 units of specialist accommodation in the NA at present and a total of 179 individuals aged 75 or over.
- 1.24 This chapter determines that future provision of specialist housing for older people may be needed to serve arising future demand, with population growth in Sandhurst expected to be driven by the older population age bands (a theme that was also identified in the 'Type and Size' chapter). Specifically, the number of 75+ individuals in the Parish is expected to increase substantially by 2038, and account for a share of the total population around five percentage points greater than current levels. Without additional units of specialist housing in Sandhurst, it is likely that those in need will be forced to move out of the area.

Need for Specialist Housing for Older People

- 1.25 The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 1.26 These two methods of estimating the future need in Sandhurst produce a range of 25 to 27 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
- 1.27 When thinking about future new development in Sandhurst, 66% of residents from the 2014 Sandhurst village survey said they would 'strongly agree/agree'

to retirement homes to rent from a housing association and 63% to homes suitable for retirement for purchase or rent privately. The data provided in this chapter suggests that this desire remains unmet.

1.28 The current emerging Local Plan policy H6 provides explicit encouragement for development to accommodate specific groups such as older people. It stipulates that, schemes for specialist housing can be supported on residential development sites and other suitable locations, including extensions to existing schemes, particularly in accessible areas, subject to satisfying other Local Plan policies.

1.29 Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

Need for Additional Care Home Units

1.30 The HNA calculations suggest that 6 additional care home units in Sandhurst will be required to satisfy arising need over the Neighbourhood Plan period.

Alternative Solutions

1.31 In addition to seeking specialist supply through Sandhurst's Neighbourhood Plan housing delivery targets, another avenue open to the Steering Group is to discuss the standards of accessibility and adaptability in new development to be met in the Neighbourhood Plan with the Local Planning Authority.

1.32 Although there are no units of specialist accommodation in the NA at present, there are several facilities such as extra-care housing and age exclusive housing located at Hawkhurst just north of the NA, as well as retirement housing located at Northiam directly to the south. The majority of these units are offered as one- or two-bedroom bungalows/flats on social rent tenures, with these being easily accessible from the NA along the A268 should the Steering Group have a preference to rely on specialist housing provision for its aging population beyond the parish itself. Details of these facilities are provided in Appendix E.

2. Context

Local context

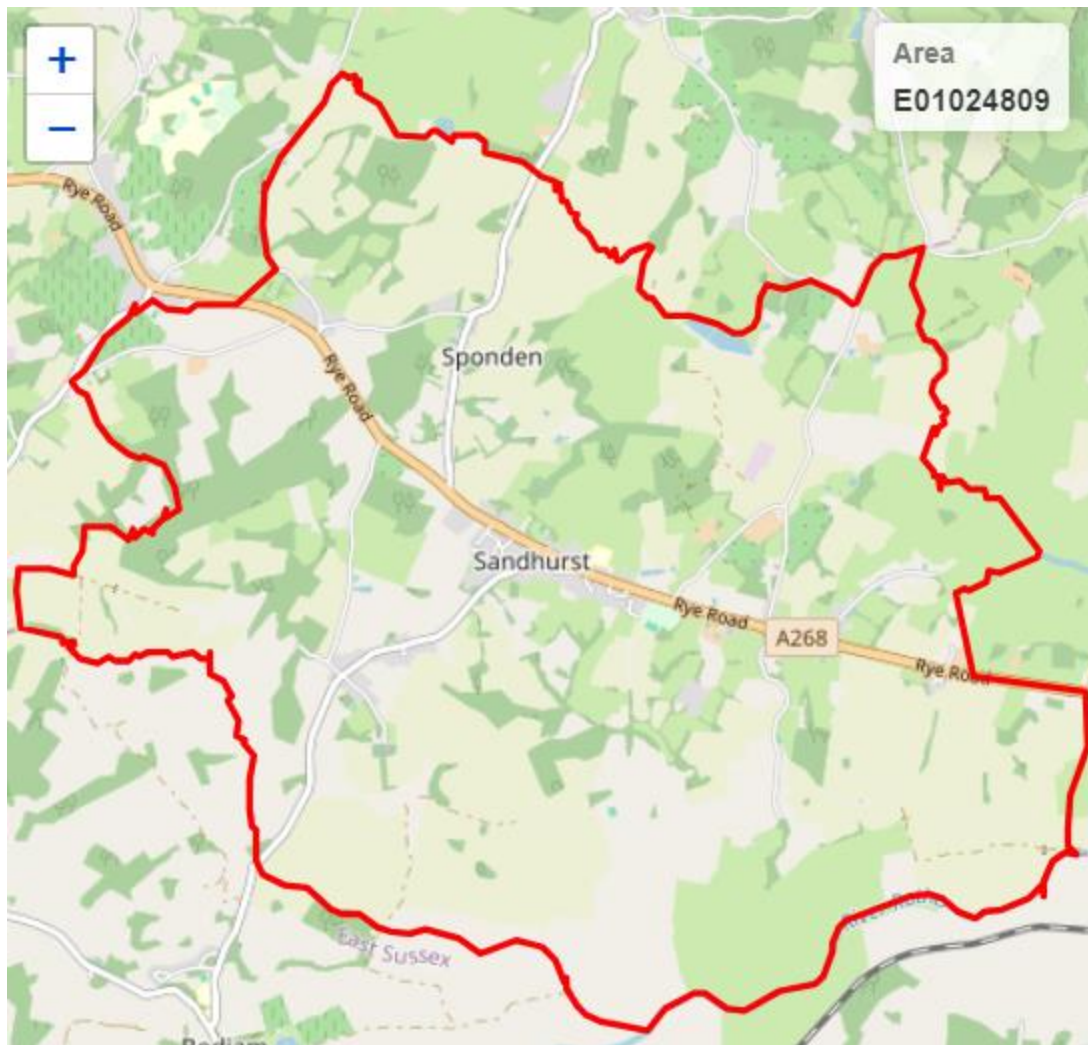
- 2.1 Sandhurst is a Neighbourhood Area (NA) located in the borough of Tunbridge Wells in Kent. The NA boundary follows the existing Sandhurst Parish boundary and was designated in September 2014.
- 2.2 For the purposes of this Housing Needs Assessment (HNA), the Neighbourhood Plan is envisaged to start in 2024 and extend to the end of 2038 (aligning with the emerging Local Plan), therefore covering a period of 15 years. The evidence supplied in this report will look forward to the Plan end date of 2038, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
- 2.3 Sandhurst is a semi-rural village in the borough of Tunbridge Wells in Kent, England, close to the border with East Sussex. It functions as the main settlement in the NA, and is situated approximately 4.3km north of the village of Northiam and 4km south of the village of Hawkhurst.
- 2.4 The main road through the village is the A268, Rye Road. Bodiam Road leads to Bodiam in the south, and Sponden Lane at the western end of the village provides access to Benenden to the north. Sandhurst has limited public transport links to the wider area, namely the Arriva bus from Sandhurst to Maidstone has now been withdrawn so residents have to go to Hawkhurst and change buses. However the Sandhurst Neighbourhood Plan Steering Group expressed that the bus service is infrequent and a change is required to travel to all destinations, other than Hawkhurst.
- 2.5 The NA is served by few amenities including a social club, two tea rooms and St. Nicholas' Church. The Old School in Back Road is the Sandhurst Village Hall and has excellent facilities including a well-equipped kitchen and a secure outside area.¹

The NA boundary and key statistics

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

¹ Sandhurst Parish Council Website (2024) available at: [The Old School Hall – Sandhurst Parish Council](#)

Figure 2-1: Map of the Sandhurst Neighbourhood Area



Source: Nomis²

- 2.7 At the time of the 2011 Census the NA was home to 1,478 residents, formed into 583 households and occupying 603 dwellings. The 2021 Census indicates population decline of around 61 individuals (or -4.1%) since 2011³, recording a total of 1,417 residents and 586 households. The average household size also fell slightly during this period.
- 2.8 The change from 2011 to 2021 in the Census is not purely new development – it also reflects changes to the existing stock, such as extensions. So it is also useful to examine the recent completions recorded by the Local Planning Authority (LPA). Between 2011 and 2021 TWBC recorded 41 Housing Completions in Sandhurst. Unfortunately TWBC do not break these down by market versus affordable, dwelling type or number of bedrooms.

² Available at: [Dataset Selection - Query - Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://nomisweb.co.uk/)

³ It is worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.

The housing market area context

- 2.9 Whilst this Housing Needs Assessment (HNA) focuses on Sandhurst NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas. Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
- 2.10 In the case of Sandhurst, the NA sits within a housing market area which covers both Sevenoaks and Tunbridge Wells.⁴ This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including Rother District directly south of the NA and Ashford Borough to the north-west.
- 2.11 At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Sandhurst, are closely linked to other areas. In the case of Sandhurst, changes in need or demand in settlements nearby (including larger villages, such as Northiam and Hawkhurst) is likely to impact on the neighbourhood. The Sandhurst Neighbourhood Plan Steering Group has expressed that there has been lots of development 2-3 miles away at Hawkhurst in recent years which may attract residents to the immediate area. This includes the provision of specialist housing, which is discussed later throughout this HNA, under **Specialist housing for older people**.
- 2.12 In summary, Sandhurst functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Tunbridge Wells), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

- 2.13 Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁵ In the case of Tunbridge Wells, the relevant adopted Local Plan consists of:
- 2.14 The submission Local Plan⁶ for Tunbridge Wells borough will provide the basis for determining the suitability of development proposals across the borough to 2038. The Local Plan was submitted in October 2021 to the Secretary of State

⁴ Sevenoaks & Tunbridge Wells Strategic Housing Market Assessment (SHMA) (October 2015) available at: [General Report Template \(tunbridgewells.gov.uk\)](#)

⁵ 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>

⁶ Tunbridge Wells Borough Submission Local Plan 2020-2038 available at: [Submission Local Plan \(tunbridgewells.gov.uk\)](#)

for independent examination, the next stage in the statutory plan making process.

2.15 The role of the Local Plan is to set out the spatial vision and strategic objectives for the borough, as well as the development strategy needed to meet those objectives. It details overarching place shaping policies for each parish and settlement within the borough, as well as specific site allocations to deliver the strategy, and detailed development management policies to be applied to all new developments across the borough.

2.16 When finally adopted, the new Local Plan will replace the existing 2006 Local Plan⁷, the Core Strategy (2010) and the Site Allocations Local Plan (2016)⁸. Much has changed since 2010, when the current strategic plan (the Core Strategy⁹) was adopted, in particular the increased levels of housing and economic development.

2.17 A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the submission Local Plan:

- Emerging Local Plan Policy STR 1 (The Development Strategy) identifies an overall housing target of 12,204 homes per year for Tunbridge Wells borough over the period 2020-2038.
- Policy PSTR/SA 1: The Strategy for Sandhurst Parish offers a framework for new development over the plan period, incorporating the allocation Policies AL/SA 1 and AL/SA 2 into the Sandhurst Limits to Built Development.
- Policy PSTR/SA 1 seeks to deliver approximately 20-30 new dwellings (including 40 percent affordable housing) on the two sites at Sandhurst village, as allocated under Policies AL/SA 1 and AL/SA 2.
- In addition to the Home Quality Mark standard that must be achieved under Policy EN Sustainable Design Standards, developers will need to meet Building Regulation Standard Part M4(2) (or any subsequent revision) on every affordable housing unit.

⁷ Tunbridge Wells Local Plan (2006) available at: [Local Plan 2006 \(tunbridgewells.gov.uk\)](http://tunbridgewells.gov.uk)

⁸ Tunbridge Wells Borough Site Allocations Local Plan (Adopted July 2016) [Site Allocations Local Plan \(tunbridgewells.gov.uk\)](http://tunbridgewells.gov.uk)

⁹ Tunbridge Wells Local Development Framework Core Strategy Development Plan (Adopted June 2010) available at: [Core Strategy \(tunbridgewells.gov.uk\)](http://tunbridgewells.gov.uk)

3. Objectives and approach

Objectives

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

Affordability and Affordable Housing

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

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

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

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

Type and Size

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

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

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

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

Specialist Housing for Older People

3.8 It may be appropriate for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons.

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

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

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

Approach

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

- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from [Home.co.uk](https://www.home.co.uk);
- Local Authority housing waiting list data; and
- Tunbridge Wells SHMA Update (2017) SHMA, however it is noted that it is considered relatively dated and therefore drawn on to a lesser degree. It should also be noted that a Housing Needs Assessment Topic Paper for

the Draft Local Plan – Regulation 18 Consultation was prepared in 2019¹⁰, however this does not calculate affordable housing needs.

3.12 Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including parishes, will not be available until later in 2024, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.

¹⁰Tunbridge Wells Borough Council (2019) Topic Paper available at: [Housing Needs Assessment Topic Paper for Draft Local Plan – Regulation 18 Consultation \(tunbridgewells.gov.uk\)](https://www.tunbridgewells.gov.uk)

4. Affordability and Affordable Housing

Introduction

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

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

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

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

Definitions

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

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

new product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.¹¹

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

Current tenure profile

- 4.5 The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
- 4.6 Table 4-1 presents data on tenure in Sandhurst compared with Tunbridge Wells and England from the 2021 Census.
- 4.7 Firstly, Table 4-1 shows that the most common tenure type in Sandhurst is private ownership, accounting for 73% of the total mix – this is considerably higher than the equivalent proportions of private rent in England (63%) and Tunbridge Wells (66%). Social rent and private rent account for much smaller proportions in Sandhurst’s tenure mix (15% and 11%, respectively). It is noteworthy that Tunbridge Wells has a higher proportion of private rent tenures than social rent tenures, whereas the inverse is true for Sandhurst and England. Finally, all three geographies have equal to or under 1% of their total tenure mix in shared ownership tenures.

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

Tenure	Sandhurst	Tunbridge Wells	England
Owned	73.1%	65.7%	63.3%
Shared ownership	1.0%	0.8%	0.8%
Social rented	14.6%	15.2%	17.7%
Private rented	11.3%	18.3%	16.8%

Sources: Census 2021, AECOM Calculations

- 4.8 It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). Private rent tenures fell considerably across this time period (by 21.2%). Although Shared ownership exhibited a 16.7% reduction, this only represents a change of one household. The most notable change in Sandhurst’s tenure mix since 2011 (when considering raw changes in households’ tenure and not percentage change) is the growth in home ownership, increasing by 4.9% (or 21 units). This is more than the growth of all the other tenure types across the same period.

¹¹ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

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

Tenure	2011	2021	% change
Owned	426	447	4.9%
Shared ownership	6	5	-16.7%
Social rented	85	82	-3.5%
Private rented	66	52	-21.2%

Sources: Census 2021 and 2011, AECOM Calculations

Affordability

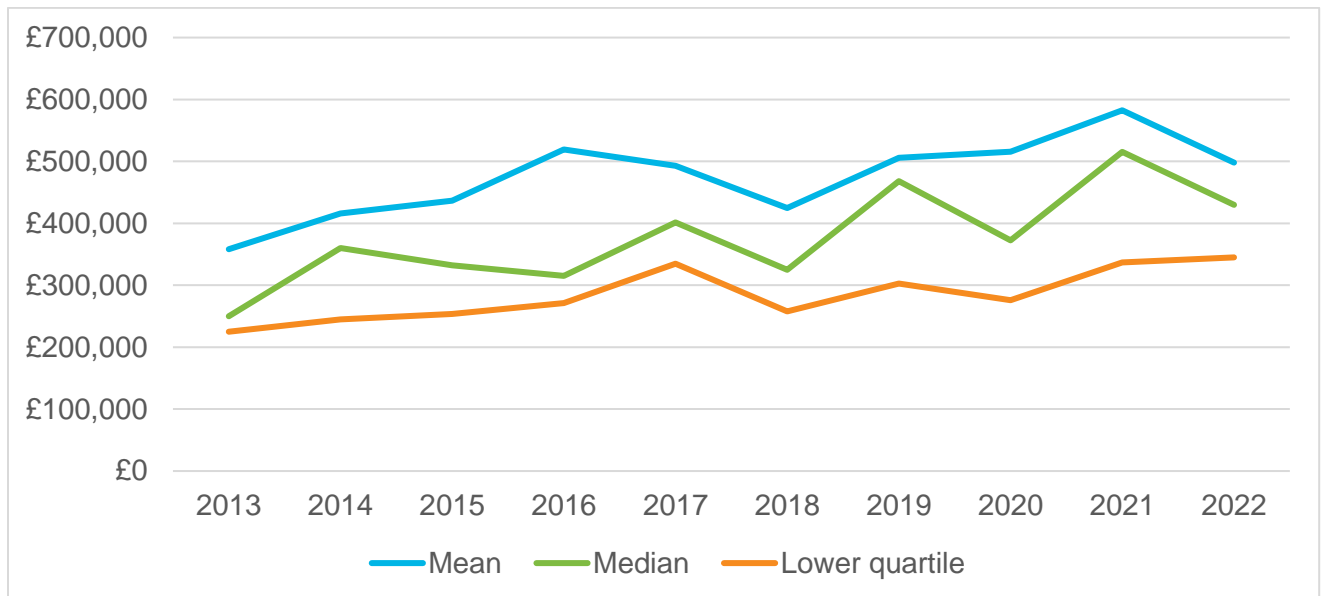
House prices

- 4.9 House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
- 4.10 Figure 4-1 looks at average and lower quartile house prices in Sandhurst based on sales price data published by the Land Registry. It shows that the current average (mean) household price for the NA is £497,996 which represents a 39.0% growth since 2013. Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median.
- 4.11 The median, which is the middle number when you sort the data from smallest to largest sits at £430,000, representing a 72.0% increase over the same period. Notably, both the mean and median house prices in the NA experienced a steep reduction between 2021 and 2022, while the lower quartile house price grew marginally. The lower quartile is the middle figure of the lowest 50% of prices and a good representation of entry-level housing.
- 4.12 Both the median and mean NA house prices are above that of the LA's prices (17.5% and 4.7% higher, respectively), which suggests the NA is a particularly high-value area within Tunbridge Wells. This also reflects the differences in the housing mix, with a greater proportion of detached and semi-detached homes in the NA when compared to the LA – discussed further in **Section 5: Type and Size**.
- 4.13 This point is reinforced by a Borough of Tunbridge Wells Housing Needs Study that was carried out in 2018 which illustrated that Sandhurst had the highest lower quartile price for a home £437,000 of any parish or urban ward in Tunbridge Wells (2017).¹² Further, the study found that for entry-level home ownership,

¹² Borough of Tunbridge Wells (2018) Housing Needs Study available at: [Tunbridge Wells Housing Needs Study-2018.pdf \(tunbridgewells.gov.uk\)](https://www.tunbridgewells.gov.uk/tunbridge-wells-housing-needs-study-2018.pdf)

household income requirements range between £51,429 in Culverden and £112,500 in Sandhurst.

Figure 4-1: House prices by quartile in Sandhurst, 2013-2022



Source: Land Registry PPD

4.14 Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that that the average growth for median house prices across all types was 72%.

4.15 Looking closer at the different house types reveals that terraced and semi-detached grew the most since 2013, by rates of 57% and 38%, respectively. Detached houses also grew, but at a relatively lower rate (18%), while there were not enough recorded 'flat' valuations to interpret their growth over the same period.

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

Type	2013	2013	2014	2015	2016	2017	2018	2019	2020	2022	Growth %
Detached	£450,000	£450,000	£420,000	£842,500	£553,750	£650,000	£570,000	£735,000	£672,500	£534,000	18.7
Semi-detached	£245,000	£238,750	£295,000	£288,500	£365,000	£257,500	£303,000	£289,950	£310,000	£337,500	37.8
Terraced	£222,500	£245,000	£295,000	£285,000	£290,000	£269,000	£275,000	£271,500	£337,000	£350,000	57.3
Flats	-	-	£155,000	-	-	-	-	-	-	-	N/A
All Types	£250,000	£360,000	£332,000	£315,000	£401,250	£325,000	£468,000	£372,500	£515,390	£430,000	72.0

Source: Land Registry PPD

Income

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

4.17 The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the

average income of lower earners). The average total household income locally was £47,300 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.

- 4.18 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. Tunbridge Wells's gross individual lower quartile annual earnings were £20,835 in 2022. To estimate the income of households with two lower quartile earners, this figure is doubled to £41,670.
- 4.19 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. The Sandhurst Neighbourhood Plan Steering Group echo this sentiment and expressed that many adult children have been forced to move away from the parish due to a lack of sufficient incomes.

Affordability Thresholds

- 4.20 To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.21 AECOM has determined thresholds for the income required in Sandhurst to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
- 4.22 The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.
- 4.23 Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether

housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £47,300	Affordable on LQ earnings (single earner)? £20,835	Affordable on LQ earnings (2 earners)? £41,670
Market Housing						
Median House Price	£372,600	-	£110,571	No	No	No
Estimated NA New Build Entry-Level House Price			£106,457	No	No	No
LQ/Entry-level House Price	£310,500	-	£88,714	No	No	No
LA New Build Median House Price	£486,000	-	£138,857	No	No	No
Average Market Rent	-	£23,916	£79,720	No	No	No
Entry-level Market Rent	-	£22,788	£75,960	No	No	No
Affordable Home Ownership						
First Homes (-30%)	£260,820	-	£74,520	No	No	No
First Homes (-40%)	£223,560	-	£63,874	No	No	No
First Homes (-50%)	£186,300	-	£53,229	No	No	No
Shared Ownership (50%)	£186,300	£5,175	£70,479	No	No	No
Shared Ownership (25%)	£93,150	£7,763	£52,489	No	No	No
Shared Ownership (10%)	£37,260	£9,315	£41,696	Yes	No	Marginal
Affordable Rented Housing						
Affordable Rent	-	£7,968	£26,533	Yes	No	Yes
Social Rent	-	£5,874	£19,560	Yes	Yes	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

4.25 Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher-than-average income, is likely to remain out of reach to most. The median house price would require an annual income 134% higher than the current average in Sandhurst.

4.26 Private renting is also not affordable to all earning benchmarks and even households made up of two lower quartile earners and average incomes are significantly below the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

4.27 To be able to afford to rent privately in Sandhurst, households would typically be earning between around £75,960 per year (at which point entry-level rents become affordable). Those earning above this level but below £88,714 (at which point entry-level market sale homes become affordable), can be described as those who 'can rent, can't buy' – and may benefit from the range of affordable home ownership products such as First Homes and shared ownership.

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

4.29 This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. Based on our calculations, First Homes at all discount levels would not bring home ownership to within affordable levels for average, LQ1 or LQ2 earning households. As such the highest possible discount of 50% would be needed, but would still only serve those earning above the average.

4.30 It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the Sandhurst Neighbourhood Plan Steering Group intend to set a higher First Homes discount level than that set at borough level, further discussions with the LPA are advised.

4.31 Shared ownership appears to be 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.¹³ If this is delivered in the NA, it will make shared ownership easier to

¹³ 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

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 the few above average earners who can afford them in the NA.

4.32 Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would slightly expand this route to home ownership in the NA. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

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

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

Affordable rented housing

4.34 Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market

levels. This appears to be the case in Sandhurst with affordable rents closer to 40% of market levels.

- 4.35 Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered apart from the smallest socially rented units. If unable to secure a social rented dwelling individuals require additional subsidy through Housing Benefit to access housing.
- 4.36 The evidence in this chapter suggests that the affordable rented sector performs a vital function in Sandhurst as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Estimates of the need for Affordable Housing

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

AECOM Estimates

- 4.38 AECOM estimates a surplus of 1.6 units of affordable rent per annum in Sandhurst. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5 below. It should be noted that this does not take into account the circumstances of households in the present day waiting for affordable renting (who may be waiting many years to be housed if solely relying on re-lets).
- 4.39 This result may initially be surprising since there is understood to be a current backlog of need. The reason for the affordable rented housing need being met over the long-term is that model assumes a rate of turnover in the existing stock: of the affordable rented accommodation existing currently, it can be expected that some will come vacant in any given year as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change. Because of the size of the existing stock, this is able to satisfy the projected newly arising need as well as some of the backlog, which is effectively spread out over the 10-year period to produce an annualized figure.
- 4.40 An important caveat to this finding is that the NA may be meeting wider needs within the Borough. As such, whilst it may be possible to address localised needs

through the existing stock, new affordable rented housing may be required to continue to provide homes for households in acute need living elsewhere in the wider area.

4.41 A further caveat worth emphasizing is that one unit of Affordable Housing does not necessarily service one household worth of need, since the unit might have 2 bedrooms while the applicant household might require 4 bedrooms, may be located in an inappropriate location, or be otherwise unsuitable.

4.42 As such, it may be appropriate for Sandhurst to encourage the delivery of some affordable rented housing, with the understanding even if this would meet all of the localised need, it may also help to meet needs from elsewhere in the district. The NA's wider strategic role in the delivery of Affordable Housing should be discussed with the LPA.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	0.1
Newly arising need	0.8
Supply	2.5
Net surplus	1.6

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

4.43 AECOM estimate potential demand for 5.2 affordable home ownership dwellings per annum in Sandhurst, equating to a total of 78 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6 below.

4.44 It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	4.9
Newly arising need	0.6
Supply	0.3
Net shortfall	5.2

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

4.45 Taken in isolation, the calculations outlined in Table 4-5 and Table 4-6 below, would suggest that 100% of new affordable dwellings in Sandhurst should be in affordable ownership tenures. Further, the Sandhurst Neighbourhood Plan Steering Group has expressed that there is little demand for affordable rented housing in NA.

Evidence in the SHMA

4.46 A SHMA was undertaken for Tunbridge Wells in 2015 and updated in 2017¹⁴. This study estimates the need for affordable housing in the borough based on analysis of the Council's housing waiting list and analysis of other data sets in line with Planning Practice Guidance at the time.

4.47 The 2017 SHMA identified a borough-wide need for 277 affordable dwellings annually over the 2015-35 period. The SHMA points towards a need to provide some housing as affordable home ownership (i.e. intermediate housing) which would normally be in the form of shared ownership. It could also include First Homes in the future, where this is genuinely affordable in a local context. Overall, the SHMA considered that affordable housing provision should normally involve 60% social rented and 40% intermediate tenures. Since the SHMA is relatively dated, it is not relied upon to a high degree and instead, AECOM's models (above) are taken forward for the purposes of this HNA.

4.48 It should also be noted that a Housing Needs Assessment Topic Paper for Draft Local Plan – Regulation 18 Consultation was prepared in 2019¹⁵, however this does not calculate affordable housing needs.

4.49 The Local Authority level figures are likely to represent higher needs in urban areas where there is a large social housing stock and larger numbers of households living in private rented homes on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural parishes like Sandhurst the lack of social housing means there is no need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is difficult to identify need for social/affordable rented housing within Sandhurst using the SHMA and it is more reliable to rely on AECOM affordable models outlines above.

Evidence from the LPA

4.50 Other Key statistics from the Housing Need Survey (2018) undertaken by Tunbridge Wells Borough Council include:

Relative affordability of housing tenure options:

¹⁴ Tunbridge Wells Borough Council (2015 updated 2017) SHMA available at: [General Report Template \(tunbridgewells.gov.uk\)](https://www.tunbridgewells.gov.uk)

¹⁵ Tunbridge Wells Borough Council (2019) Topic Paper available at: [Housing Needs Assessment Topic Paper for Draft Local Plan – Regulation 18 Consultation \(tunbridgewells.gov.uk\)](https://www.tunbridgewells.gov.uk)

- For open market rent at Borough-level, the minimum income required was £36,000;
- For open market purchase, the minimum income required was £64,286;
- The amounts for market rent vary from £28,512 in Broadwater, to £71,952 in Speldhurst;
- For entry-level home ownership, household income requirements range between £51,429 in Culverden and £112,500 in Sandhurst;
- In 2018 there were 60 households in housing need in Sandhurst 10.3% of the borough's housing need only second to Broadwater; and
- Sandhurst had the highest lower quartile price for a home £437,000 of any parish or urban ward in Tunbridge Wells (2017).

Evidence from the LPA

4.51 TWBC also revealed that in April 2023 four households eligible for 3-bedroom properties with a local connection to Sandhurst were housed into new build properties in Sandhurst and a further four households eligible for 2-bedroom properties with a local connection to Sandhurst housed in June/July 2023. Current Households on the Housing Register with a confirmed Local Connection to Sandhurst include: one 1-bedroom need and one x 2-bedroom need.

Affordable Housing policies in Neighbourhood Plans

4.52 This section outlines a common Neighbourhood Plan policy level around the tenure mix of affordable housing, provides a recommendation and summarises relevant consideration.

Application of Local Plan policies

4.53 Tunbridge Wells's adopted policy on this subject Core Policy 6 requires 35% of all new housing to be affordable, with the emerging Policy H 3 stating that 40% of the gross number of residential units should be offered as on-site affordable housing. As the emerging Local Plan is so far progressed at submission version the 2020-2038 Affordable Housing targets has been used for the purposed of this HNA. 41 new homes were erected in Sandhurst over the last decade according to Tunbridge Wells completions figures, however this was not broken down into market vs affordable housing therefore it is understood if this target of 40% is usually met on sites in the NA.

4.54 The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be

discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

- 4.55 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. The local plan does not dictate a precise tenure split (balance between rented and ownership tenures)
- 4.56 With regard to local connections, the Local Plan states that all forms of affordable housing will be provided on the basis of a 'local connection cascade'. The details of this cascade will be determined on a case-by-case basis, but will follow the general approach of prioritising households with an established local connection (and for social and affordable rent) in housing need to the parish or town through residence or place of work, then households from surrounding parishes in the borough, and then wider.

Affordable Housing at Neighbourhood level

- 4.57 The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This HNA suggests that a 50:50 split between affordable rented and affordable ownership tenures might be suitable for future affordable housing delivery Sandhurst on the basis of identified housing need and a range of other considerations detailed in Appendix D.
- 4.58 Taken in isolation, the calculations outlined in Table 4-5 and Table 4-6 would suggest that 100% of new affordable dwellings in Sandhurst should be in affordable ownership tenures. However, this does not take into account the circumstances of households in the present day waiting for affordable renting (who may be waiting many years to be housed if solely relying on re-lets). It would also require the high re-let rate assumed here to continue at current levels, and also overlooks the NA's role as a main town in meeting the needs of the wider district. Taking these factors into account, our indicative mix represents a balance between our affordability threshold calculations (which suggest a high need for affordable ownership tenures) and the need to accommodate those most in need in the present day. Therefore, this indicative mix of 50% rented to 50% ownership appears to offer a suitable benchmark, which also complies with the various minimum requirements mandated nationally.
- 4.59 Having said that, should Sandhurst Neighbourhood Plan Steering Group wish to develop policy that deviates from that outlined the adopted local plan – either by setting a more prescriptive target for the headline split between renting and ownership, it is important that they liaise with Tunbridge Wells Borough Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.
- 4.60 Since First Homes appears the least affordable and helpful option locally, even if it can be offered at the 50% discount level, national policy that First Homes should represent 25% of the affordable mix should not be exceeded. In the

interests of diversity and maximizing choice, a further 20% is allocated to shared ownership rather than more First Homes, since it is the most affordable and helpful option locally, particularly to mean incomes. Rent to Buy only features at 5% in the recommended mix as it was considered the least affordable tenure locally. However 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. Therefore, a small offering of Rent to Buy tenures will be useful for households who lack sufficient deposits rather than sufficient incomes.

Table 4-7: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	50%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	20%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to Buy	5%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	50%	
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

4.61 Though this HNA highlights the need for additional social and affordable housing, Sandhurst Neighbourhood Plan Steering Group equally recognizes the importance of maintaining the NA's sense of place, cohesiveness and consistency of building types. The likely form that any Affordable Housing might take may need to be reconciled with the needs and preferences of the community as a whole.

Conclusions- Tenure and Affordability

Current tenure profile

- 4.62 Beginning with housing tenures, this chapter finds that the most common tenure type in Sandhurst is private ownership, accounting for 73% of the total mix – this is considerably higher than the equivalent proportions of private rent in England (63%) and Tunbridge Wells (66%). Social rent and private rent account for much smaller proportions in Sandhurst's tenure mix (15% and 11%, respectively).
- 4.63 Interestingly, private rent tenures fell considerably in Sandhurst across in the last ten years (by 21.2%), more than social rent tenures and Shared ownership which fell by 3.5%, and 16.7% respectively), while home ownership continued to become more common.

Affordability

- 4.64 There is a large gap between the spending power of average earning households (£47,300 in 2020) and those earning the lowest 25% of incomes, particularly where the household in question has one earner only (£20,835 in 2020). Nevertheless even average earning households, fall below the affordability threshold required to afford an average home through market ownership. The median house price would require an annual income 134% higher than the current average.
- 4.65 The unaffordability of average market ownership for average earning households is driven by strong house price appreciation in the Parish over the past ten years: both the median and mean NA house prices are above those of wider Tunbridge Wells prices (17.5% and 4.7% higher, respectively), which suggests the NA is a particularly high-value area within the borough. However, this difference also reflects the differences in the housing mix, with a greater proportion of detached and semi-detached homes in the NA when compared to the LA – discussed further in section **5: Type and Size**.
- 4.66 An offering of Affordable Housing tenures would be beneficial in Sandhurst to widen access to those with varying home ownership/renting aspirations:
- Based on AECOM's calculations, First Homes at all discount levels would not be valuable for bringing home ownership to within affordable levels for average or lower earning households. However a share of 10% of all new housing, and 25% of all new affordable housing, is required to be delivered on First Homes tenures as discussed in **Appendix D**. The maximum discount level of 50% is recommended, even though it would still primarily benefit above-average earners.
 - If Rent to Buy is offered at a discount to *entry level* rents, this would slightly expand this route to home ownership in the NA. However 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. Therefore, a small offering of Rent

to Buy tenures will be useful for households who lack sufficient deposits rather than sufficient incomes.

- Shared Ownership is also a viable route to home ownership for average earning households (at all equities) and households with two lower quartile earners (at the 10% and 25% equities).
- The evidence in this chapter suggests that the affordable rented sector performs a vital function in Sandhurst as the only option for a large segment of those in the greatest need.

Affordable Housing Needs

4.67 AECOM's estimates outlined in Table 4-5 and Table 4-6 below, would suggest that most new affordable dwellings in Sandhurst should be in affordable ownership tenures with a potential demand for 5.2 affordable home ownership dwellings per annum and an expected long-term surplus of affordable rented dwellings. The 2017 SHMA identified a borough-wide need for 277 affordable dwellings annually over the 2015-35 period. The SHMA supports the outcome of AECOM estimates pointing towards a need to provide some housing as affordable home ownership (i.e. intermediate housing) which would normally be in the form of shared ownership, though it could also justify aspiring to deliver some affordable rented housing to meet the small current backlog if this aligns with the objectives of the community.

Affordable Housing policy

4.68 Table 4-8 summarises Sandhurst's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation, and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

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

	Step in Estimation	Expected delivery
A	Residual housing requirement commitments	20-30 (25 will be used for the purposes of this calculation)
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	10

D	Rented % (e.g. social/ affordable rented)	50%
E	Rented number (C x D)	5
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	50%
G	Affordable home ownership number (C x F)	5

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

4.69 10 Affordable homes, based on the Local Plan allocations and targets, is far below AECOM's estimate potential demand for 5.2 affordable home ownership dwellings per annum in Sandhurst, equating to a total of 78 over the Neighbourhood Plan period. Should the community wish to promote the delivery of more Affordable Housing, an exception site or additional allocations may be required.

5. Type and Size

Introduction

- 5.1 It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.
- 5.2 This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this chapter of the HNA. The evidence gathered here can be used to justify planning policies either on its own or in combination with survey results expressing the specific wants and concerns of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the neighbourhood plan.
- 5.3 This chapter has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
 - To describe characteristics of the local **population** that are relevant to housing need; and
 - To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.
- 5.4 It is important to keep in mind that housing need is not an exact science. To get from a set of facts about the population to an ideal mix of homes requires making assumptions. For example, there are clear patterns about what size of home families tend to live in at different stages of life. However, a variety of other reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. Some trends can also change rapidly over time, such as the increasing preference for home working.
- 5.5 The conclusions and recommendations given here are therefore not definitive. Rather, they are what the statistics suggest future needs will look like based on current trends. This is sufficient for justifying planning policies, but it is also appropriate to take into account other factors and evidence if desired.

Definitions

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

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

The current housing mix

- 5.6 This section establishes the current housing mix of Sandhurst, highlighting recent changes to it and comparing the mix to wider averages.
- 5.7 The change from 2011 to 2021 in the Census is not pure 'recent development' – it also reflects changes to the existing stock like extensions. So it is also useful to examine the mix of recent completions provided by an LPA. Between 2011 and 2021 TWBC calculated 41 Housing Completions in Sandhurst.

Dwelling type

- 5.8 Table 5-1 below shows the dwelling type mix in Sandhurst in 2011 and 2021.
- 5.9 The 2021 Census data shows that Sandhurst's dwelling type mix is dominated by semi-detached and detached houses, accounting for approximately 89% in 2021. The number of flats and terraced housing accounts for a much smaller percentage of Sandhurst's dwellings at around 4% and 7% respectively. This lack of smaller dwelling types may be contributing to the affordability issues discussed in **19: Affordability and Affordable Housing**.
- 5.10 This trend seems to have become more pronounced in NA, with the proportion of Semi-detached housing increasing between 2011 and 2021; the proportion of flats and terraces decreasing; and the proportion of detached housing staying relatively stable across the same time period. It is difficult to highlight further meaningful differences in recent years because of a change in the way the Census counts properties: in 2011 the total aligned with the number of dwellings; in 2021 it aligns with the number of households. Because some dwellings are not occupied by a household, the 2021 data tends to slightly undercount the number

of dwellings and therefore gives a false impression here that the total number of dwellings has fallen. This is not the case.

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

Type	2011	%	2021	%
Detached	272	45.1%	263	45.0%
Semi-detached	247	41.0%	256	43.8%
Terrace	48	8.0%	39	6.7%
Flat	30	5.0%	22	3.8%
Total	603	100%	584	100%

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

5.11 Table 5-2 compares the NA mix to wider benchmarks. Whilst Tunbridge Wells and England are dominated by semi-detached accommodation, Table 5-2 highlights that detached housing represents the dominant dwelling type in Sandhurst, albeit marginally. It is clear from Table 5-2 that the NA is lacking in flats (occupying only 3.8% of the total mix), when compared to the borough and county at 25% and 22%, respectively. Consequently, the two wider geographies display a more varied mix of dwelling types. This is especially true of England, where all dwelling types account for a minimum of 20% of the total mix.

5.12 The Census does not capture bungalows as a separate category but this has been obtained from the VOA which illustrates 20% of the NA's housing is in the form of bungalows – significantly higher than the borough average (6%) and England's (at 9%). Nevertheless, the Sandhurst Neighbourhood Plan Steering Group maintains the need for more bungalows in the NA, to address its rapidly aging population, as discussed in the ensuing chapter.

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

Type	Sandhurst	Tunbridge Wells	England
Detached	45.0%	27.2%	22.9%
Semi-detached	43.8%	30.3%	31.5%
Terrace	6.7%	17.4%	23.0%
Flat	3.8%	24.8%	22.2%

Source: Census 2021, AECOM Calculations

Dwelling size

5.13 Table 5-3 below presents the current housing mix in terms of size. It reinforces that the NA is dominated by larger dwellings, specifically 3 and 4+ bedroom housing, which represent a combined 72% of the housing stock in 2021. Interestingly, the percentage of 4+ bedroom housing has increased dramatically since 2011, with a stark decrease in the 2-bedroom and 3-bedroom properties, which fell by 17% and 7%, respectively between 2011 and 2021. This may be due to the replacement of existing homes in the process of recent development, or a sign of extensions moving a number of existing homes into larger size categories (this is certainly the case to some degree, since the additional number

of 4+ bedroom properties exceed the total number of new homes completed according to TWBC figures).

5.14 Although their share grew by 1.5 percentage points since 2011, there is also a noticeable lack of 1-bedroom properties in Sandhurst, which only represented 5% of the overall stock 2021.

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

Number of bedrooms	2011	%	2021	%
1	20	3.5%	29	5.0%
2	160	28.1%	133	22.7%
3	240	42.1%	224	38.3%
4+	150	26.3%	199	34.0%
Total	570	100%	585	100%

Source: ONS 2021 and 2011, AECOM Calculations

5.15 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 the NA is severely underrepresented in 1-bedroom dwellings when compared to the borough and country as a whole. This is also true for 2-bedroom dwellings, although to a lesser extent, with Sandhurst having only 23% of this category compared to 26% for the borough and 27% for England. Conversely, Sandhurst exhibits a much higher proportion of 4+ bedroom dwellings but is situated between the two wider geographies with regards to 3-bedroom dwellings, at roughly 38%.

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

Number of bedrooms	Sandhurst	Tunbridge Wells	England
1	5.0%	13.9%	11.6%
2	22.7%	25.5%	27.3%
3	38.3%	32.3%	40.0%
4+	34.0%	28.3%	21.1%

Source: Census 2021, AECOM Calculations

Population characteristics

5.16 This section examines key characteristics of the local population that have a bearing on what housing might be needed in future years. Where available, recent data is used. However, for some information it is necessary to fall back on the 2011 Census.

Age

5.17 Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. At first glance Sandhurst's 2021 age profile shows a relatively healthy mix of ages: Almost 50% of the population is found in the economically active age bands (between 25 and 64). Around 25% of the

population in the NA is 24 years old or younger, leaving the remaining roughly 25% aged in the 65 and over age category.

5.18 It should be noted, however, that between 2011 and 2021 the older age categories of both 65-84 and 85 and over grew substantially at 21% and 65% respectively, which is indicative of an aging population. This growth will likely coincide with the need for enhanced housing accessibility features; adaptable design and community and social considerations, which will be discussed further in **section 6: Specialist housing for older people**. This trend may be a result of local residents from the 2011 45-64 category remaining in the NA and transitioning into older age brackets, or may be a function of the NA's larger housing stock attracting older individuals and families at retirement age.

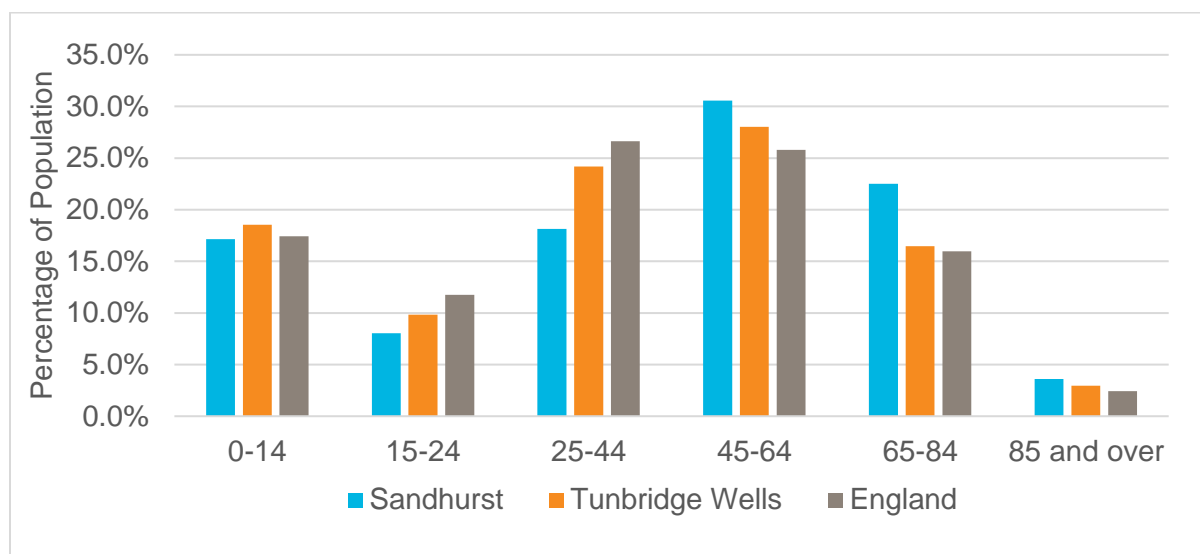
Table 5-5: Age structure of Sandhurst, 2011 and 2021

Age group	2011 (Census)		2021 (Census)		Change
0-14	257	17.4%	243	17.1%	-5.4%
15-24	174	11.8%	114	8.0%	-34.5%
25-44	291	19.7%	257	18.1%	-11.7%
45-64	461	31.2%	433	30.6%	-6.1%
65-84	264	17.9%	319	22.5%	20.8%
85 and over	31	2.1%	51	3.6%	64.5%
Total	1478	100.0%	1,417	100.0%	-4.1%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.19 According to the most recent census data, Sandhurst has experienced a population decline of 61 residents between 2011 and 2021. This trend does not quite align with Tunbridge Wells which exhibited a population increase of 0.2%, from around 115,000 in 2011 to around 115,300 in 2021. This may be a result of Sandhurst's aging population but also points to the fact of larger settlements within the borough experiencing more development and potentially also being more attractive to new buyers.

5.20 For context, it is useful to look at the NA population structure alongside that of the borough and country. Figure 5-1 (using 2021 Census data) reinforces that the NA has an older age distribution, with the 45-64; 65-84 and 85 and over categories all exceeding that of the borough and country as a whole. This is particularly true for the 65-84 age category, which sits at 22.5% – a large proportion of the population that will continue to age through the Plan period towards 2038. As expected, the three remaining younger age categories (with the exception of young children) are considerably underrepresented when compared to the borough and Nation.

Figure 5-1: Age structure in Sandhurst, 2021

Source: ONS 2021, AECOM Calculations

Household composition and occupancy

- 5.21 Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 reveals that the majority of households within all three geographies fall into the 'one family only' category, accounting for around 71% of the total mix. The second most common household category in all three geographies was 'one person household' at around 24%. Finally, 'other household types' was the smallest category for all geographies, at around 5%.
- 5.22 The sub-categories presented in Table 5-6 are also fairly consistent across all three geographies. However, the influence of the NA's older population is apparent when turning to the subcategories relating to single people and families (usually couples) aged 66 and over, which are higher than wider averages.
- 5.23 Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. It is interesting to observe that this category grew by 2.7% between 2011 and 2021 in the NA – a faster rate than the district and national average.

Table 5-6: Household composition, Sandhurst, 2021

Household composition		Sandhurst	Tunbridge Wells	England
One person household	Total	24.3%	29.4%	30.1%
	Aged 66 and over	14.4%	13.3%	12.8%
	Other	9.9%	16.2%	17.3%
One family only	Total	71.1%	66.2%	63.1%
	All aged 66 and over	14.4%	10.2%	9.2%
	With no children	17.6%	17.2%	16.8%
	With dependent children	25.1%	28.5%	25.8%
	With non-dependent children ¹⁶	11.6%	9.7%	10.5%
Other household types	Total	4.6%	4.4%	6.9%

Source: ONS 2021, AECOM Calculations

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

5.25 The occupancy rating data from the 2021 Census, presented in Table 5-7, reveals an overall trend of underoccupancy in Sandhurst, with around 80% of households having at least one unused bedroom. The 'Family 66+' followed by 'Family under 65 – no children' and 'Single person 65+', households are most likely to have a +2-occupancy rating. It may be the case that additional smaller-sized homes in the NA for households in these categories looking to downsize may free up some larger housing. Indeed, the Sandhurst Neighbourhood Plan Steering Group perceive that there is a 'lack of availability for downsizing'.

Table 5-7: Occupancy rating by age in Sandhurst, 2021

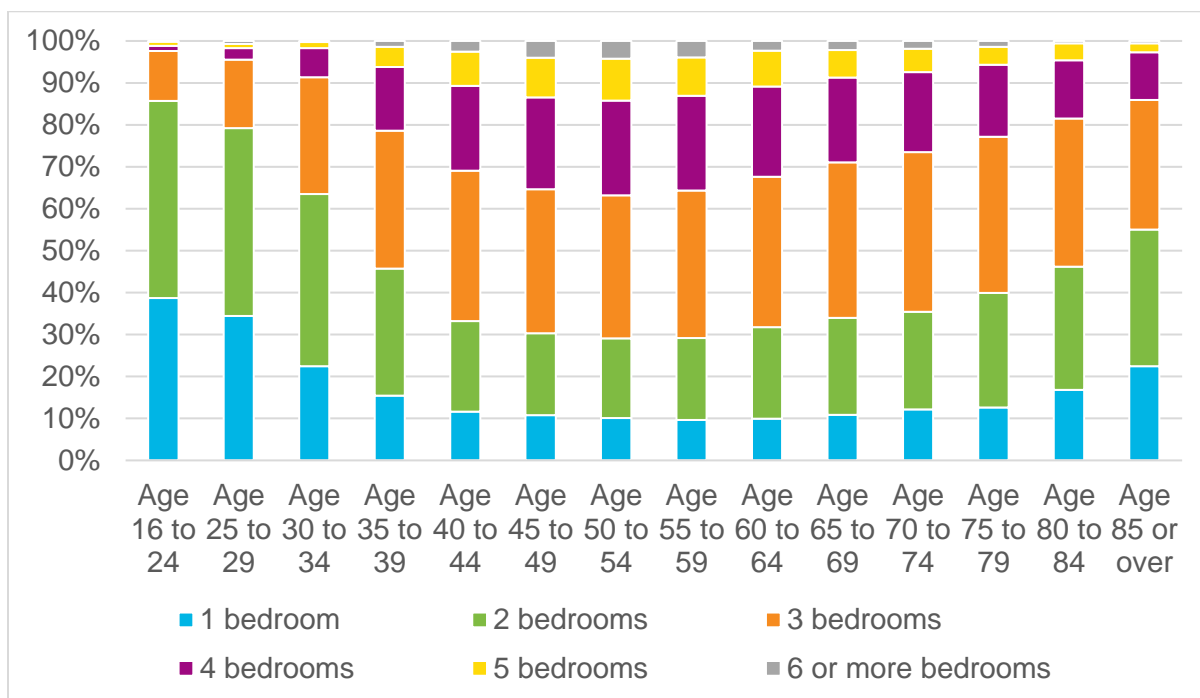
Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	78.6%	20.4%	1.0%	0.0%
Single person 66+	59.0%	31.3%	9.6%	0.0%
Family under 66 - no children	72.5%	23.5%	3.9%	0.0%
Family under 66 - dependent children	32.4%	25.7%	35.8%	6.1%
Family under 66 - adult children	42.0%	26.1%	30.4%	1.4%
Single person under 66	50.0%	27.6%	22.4%	0.0%
All households	53.8%	25.7%	18.2%	2.2%

¹⁶ Refers to households containing children who are older than 18 e.g. students or young working people living at home.

Source: ONS 2021, AECOM Calculations

5.26 As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-2 sets out this relationship for Tunbridge Wells in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

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



Source: ONS 2011, AECOM Calculations

Future population and size needs

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

Age

5.28 The result of applying Local Authority level household projections to the age profile of Sandhurst households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households, with the '55 to 64' and the '65 and over' household age brackets expected to grow by 25% and 67%, respectively, by 2028. Whilst this change is taking place, the younger age brackets and economically productive age bracket of 35-54 could all collectively decline.

5.29 Overall, it is expected that if current trends persist, and the goal is to accommodate these demographic shifts, then future housing delivery in

Sandhurst should prioritise the provision of dwellings that would be appropriate to accommodate the area's growing elderly population. Based on these projections alone, it may, for example, be appropriate to focus on delivery of smaller-sized dwellings for older households who may be looking to downsize. However, the rate of future ageing across the NA may also depend on its ability to retain and attract a replacement younger population. This could entail employment and lifestyle reasons but may also be supported by a more diverse and modern housing offer.

Table 5-8: Projected age of households, Sandhurst, 2011 - 2038

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	7	38	214	131	193
2038	5	30	208	164	323
%change 2011-2038	-29%	-20%	-3%	25%	67%

Source: AECOM Calculations

5.30 The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-8 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

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

5.32 The result of this exercise is presented in Table 5-9. It suggests that the 'ideal' dwelling size mix by 2038 might be achieved by reducing the share of five+ bedroom dwellings, given their existing abundance in the Parish. Instead, it is recommended that around 70% of dwellings should be two-or-fewer-bedrooms and just under 20% should be four-or-more-bedrooms.

Table 5-9: Suggested dwelling size mix to 2038, Sandhurst

Number of bedrooms	Current mix (2011)	Suggested mix (2038)	Balance of new housing to reach suggested mix
1	4.6%	13.4%	44.2%
2	23.8%	24.9%	26.6%
3	40.7%	34.7%	10.5%
4	17.8%	18.3%	18.7%

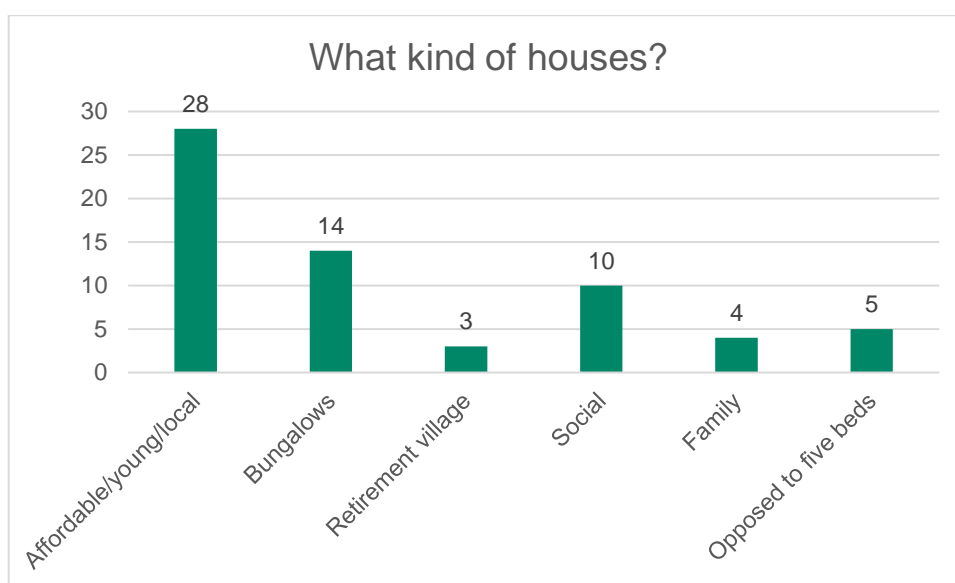
5+	13.0%	8.7%	0.0%
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Source: AECOM Calculations

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

- A village survey was conducted for Sandhurst parish in 2014. Many key concerns coming out of the 2014 village survey reinforce the trends discussed in this HNA, namely: when thinking about new development in Sandhurst in the next 5-10 years, 67% of residents said they would ‘strongly agree/agree’ to small units (houses or flats) being built for private sale, 66% to retirement homes to rent from a housing association and 63% to homes suitable for retirement for purchase or rent privately.
- Residents’ desire for more affordable housing (see table Figure 5-3 below) validates the sentiment of the previous chapter: **Affordability and Affordable Housing**. It also displays a preference for smaller dwellings, suitable for the elderly, with many residents being strongly opposed to the future provision of five-bedroom dwellings.

Figure 5-3 Village Survey Results – Type of Dwellings



Source: Sandhurst Village Survey 2014

- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents’ budgets.
- Continuing to provide smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether large numbers of 1-bedroom homes are suitable given the area’s character and current density patterns.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Plan period, it should also be considered

whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.

- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they are existing stock of larger homes is sufficiently affordable.

Tenure

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

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

5.36 There are a couple of key sources of information for thinking through the size needs of different categories. These are:

- The waiting list for affordable rented housing, kept by the Local Authority. This provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In this case, the current households on the Housing Register with a confirmed Local Connection to Sandhurst include: 1 x one-bedroom need and 1 x two-bedroom need. TWBC also revealed that in April 2023 4 x 3-bedroom need households with a local connection to Sandhurst were housed into new build properties in Sandhurst and a further 4 x 2-bedroom need households with a local connection to Sandhurst housed in June/July 2023.
- The 2015 SHMA for the borough does not set an overall size mix split. However a Housing Needs Study carried out for the borough of Tunbridge Wells in 2018 concluded that, in terms of aspirations amongst households moving within the Borough in the next 5 years, the main aspiration is for houses (around 75%). Around 12% of respondents would like a flat which

is less than the current stock level of 22.7%. There is a higher aspiration for bungalows in the future than the current stock level (8.6% v 4.8%). This survey data suggests that on the basis of household aspirations (likes), the highest demand is for 3 and 4-plus bedroom houses. While demand, expectation and current stock profile are fairly evenly matched for 3-bedroom houses, fewer households expect to achieve a 4-bedroom house than would choose one.

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

Type

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

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

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

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

Conclusions- Type and Size

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

The current housing mix

5.43 The 2021 Census data presents that Sandhurst's dwelling type mix is dominated by semi-detached and detached houses, accounting for approximately 89% of the overall stock in 2021. Flats and terraced housing accounts for a much smaller percentage of dwellings, at around 4% and 7% respectively. There is a corresponding lack of 1-bedroom properties in Sandhurst, which only represented 5% of the overall stock in 2021.

5.44 The NA is instead dominated by larger dwellings, specifically 3 and 4+ bedroom housing, which represent 38% and 34% of the housing stock in 2021. Interestingly, the percentage of 4+ bedroom housing has increased dramatically since 2011, with a stark decrease in 2-bedroom and 3-bedroom properties, which fell by 17% and 7%, respectively between 2011 and 2021 – likely due to extensions and other changes in the course of new development.

Population characteristics

5.45 As with most areas in the UK, Sandhurst's population appears to be ageing, and will continue to do so over the Neighbourhood Plan period; between 2011 and 2021 the older age categories of both 65-84 and 85 and over grew substantially at 21% and 65% respectively. As expected, the three remaining younger age categories are considerably underrepresented when compared to the borough and nation.

5.46 The issue of ageing is a key concern for Sandhurst Neighbourhood Plan Steering Group, who perceive that the area's ageing population should be supported by policies in the emerging Neighbourhood Plan. Focussing future delivery towards smaller-sized dwellings would help to accommodate older households. Facilitating downsizing could increase the number of mid to larger sized dwellings available on the market to other family groups. (Further information on the specialised housing needs of older people is presented in the subsequent chapter.)

Future population and size needs

5.47 It may be appropriate for new dwellings in the Parish to contribute toward the creation of more variety in Sandhurst's' dwelling stock, by offering a range of dwelling types and sizes, with a slight preference towards smaller dwellings:

overall, it is recommended that around 70% of new dwellings should be two-or-fewer-bedrooms and just under 20% should be four-or-more-bedrooms.

5.48 In summary, it is expected that if current trends persist, and the goal is to accommodate these demographic shifts, then future housing delivery in Sandhurst should prioritise the provision of dwellings that would be appropriate to accommodate the area's growing elderly population, a goal which reflects the Village Survey in 2014 (see Figure 5.3).

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

6. Specialist housing for older people

Introduction

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

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

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

6.3 It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁷

6.4 This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁸ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

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

¹⁷ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁸ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

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

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing¹⁹:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

Specialist housing for older people

6.6 There is 0 units of specialist accommodation in the NA at present, however there are several facilities such as extra-care housing and age exclusive housing located at Hawkhurst just north of the NA, as well as retirement housing located at Northiam directly to the south. The majority of these units are offered as one- or two-bedroom bungalows/flats on social rent tenures. Details are provided in Appendix E.

¹⁹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

- 6.7 Many key concerns coming out of the 2014 Sandhurst village survey reinforce the trends discussed in this HNA: namely, when thinking about future new development in Sandhurst, 66% of residents said they would 'strongly agree/agree' to retirement homes to rent from a housing association and 63% to homes suitable for retirement for purchase or rent privately. The data provided in this chapter suggests that this desire remains unmet.
- 6.8 The 2021 Census indicates that at this time there were 179 individuals aged 75 or over in Sandhurst. It is relevant to note that the national average for England is 136 units per 1,000 of the 75+ population²⁰. As there is no stock of Specialist Housing in the NA, the units per 1,000 of the 75+ population (a common measure of specialist housing supply) cannot be calculated.
- 6.9 VOA data also suggests that 20% of the NA's housing is in the form of bungalows. This may be suitable for older residents and is at a significantly higher proportion than the borough average (6%) and England (at 9%).

Demographic characteristics

- 6.10 The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Sandhurst is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Tunbridge Wells. The results are set out in Table 6-1.
- 6.11 The results suggest that the future population of Sandhurst will grow older towards the end of the Neighbourhood Plan period. The number of individuals aged 75+ is expected to increase by around 56% between 2021 and 2038 and take up a larger share of the population mix. It is also interesting to note that between 2011 and 2021 the 75+ population in the NA grew by 61 additional individuals.
- 6.12 A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Plan period is the key output of this calculation.

²⁰ Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now DLUHC) and the Care Services Improvement Partnership

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

Age group	2021		2038	
	Sandhurst	Tunbridge Wells	Sandhurst	Tunbridge Wells
All ages	1,417	115,311	1,536	125,003
75+	179	11,043	280	17,249
%	12.6%	9.6%	18.2%	13.8%

Source: ONS SNPP 2020, AECOM Calculations

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

6.14 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 2038. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the majority (almost 80%) of individuals in this age bracket owned their home in 2011.

6.15 The expected growth in the 75+ population in the NA is 101 additional individuals by the end of the plan period. This can be converted into 71 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55–75-year-olds occupying each tenure gives a breakdown of which tenures Sandhurst households are likely to need in 2038, and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in Tunbridge Wells (2011) and projected aged 75+ in Sandhurst (2038)

	Owned			All Rented	Social rented	Private rented	Living rent free
	All owned	Owned outright	(mortgage) or Shared Ownership				
Tunbridge Wells (2011 mix)	78.4%	54.4%	24.0%	21.6%	13.1%	7.2%	1.4%
Sandhurst (2038)	55	38	17	15	9	5	1

Source: Census 2011

6.16 It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs, they may find that the only suitable and affordable option to them is available in

the social rented sector. Table E-2 in Appendix E presents this data for Sandhurst from the 2011 Census.

Future needs for specialist accommodation and adaptations

6.17 Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Plan period is calculated to be 27.

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

Table 6-3: AECOM estimate of specialist housing for older people need in Sandhurst by the end of the Plan period (2038)

Type	Affordable	Market	Total
Housing with care	3	7	10
Adaptations, sheltered, or retirement living	5	12	16
Total	8	19	27

Source: Census 2011, AECOM Calculations

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

6.20 **Ta1** in Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Sandhurst results in a total of 25 specialist dwellings that might be required to the end of the Plan period. This is set out in Table 6-4.

Table 6-4: HLIN estimate of specialist housing for older people need in Sandhurst by the end of the Plan period 2038

Type	Affordable	Market	Total
Housing with care	3.12	4.02	7
Adaptations, sheltered, or retirement living	6	12	18
Total	9	16	25

Source: Housing LIN, AECOM calculations

Further considerations

- 6.21 The above estimates suggest that potential need for specialist accommodation could be in the range of 25-27 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing need in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
- 6.22 In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
- 6.23 Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
- 6.24 It is considered that Sandhurst's position in the settlement hierarchy makes it a relatively less suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Sandhurst entirely within the Neighbourhood Area boundaries, it is recommended it could be provided in a 'hub and spoke' model. In the case of Sandhurst, Hawkhurst is considered to have potential to accommodate the specialist housing need arising from the Neighbourhood Area (i.e. to be the hub in the hub-and-spoke model).
- 6.25 It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

Care homes

- 6.26 Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
- 6.27 However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.
- 6.28 Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
- 6.29 AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. Based on this rate, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2038 there would be a need for 6 care homes beds in the NA, an increase of 6 from present levels. While this is consistent with the SHMA findings listed below, this scale of need is unlikely to justify providing a care facility within the parish itself.
- 6.30 It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa.

SHMA Assessment Findings

- 6.31 A SHMA was undertaken for Tunbridge Wells in 2015 and updated in 2017²¹. This set out the potential need for residential care housing in the borough which it defined in two categories as set out below:

²¹ Tunbridge Wells Borough Council (2015 updated 2017) SHMA available at: [General Report Template \(tunbridgewells.gov.uk\)](https://www.tunbridgewells.gov.uk)

- Residential care: Where a care homes is registered to provide residential (personal) care only, all beds are allocated to residential care.
- Nursing care: Where a care home is registered to provide nursing care all beds are allocated to nursing care, although in practice not all residents might be in need of or receiving nursing care.

6.32 The SHMA estimated a per annum need of 37 throughout the borough, which when pro-rated to account for Sandhurst's share of the population comes to a value 0.4 (or 6 over the plan period, which is identical to the AECOM finding). However it is noted that the SHMA is considered relatively dated and therefore drawn on to a lesser degree. It is also noted that the estimated a per annum need provided in the SHMA does not consider Sandhurst's larger and faster growing elderly population, nor the constraints of land supply and local amenities and services, which are relevant when considering whether to build care homes.

The Role of Mainstream Housing

6.33 The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 100% of the Sandhurst population aged 75 and over is likely to live in the mainstream housing stock²².

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

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

6.36 It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings²³, although changes to Building Regulations have not yet been made.

6.37 The current emerging Local Plan policy H6 provides explicit encouragement for development to accommodate specific groups such as older people. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here may justify the Sandhurst Neighbourhood Plan Steering Group approaching the LPA to discuss setting requirements on accessibility and adaptability at borough level. It is unclear whether Neighbourhood Plans can set their own requirements

²² 179 over 75s in 2021, of which 0 are accommodated in specialist housing leaving 100% people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

²³ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.

- 6.38 Policy H6 in the Tunbridge Wells Submission Local Plan 2020-2038: Housing for Older People and People with Disabilities, stipulates that, for new housing developments with 20 or more homes, at least 10 percent should be suitable for older residents, such as bungalows or one to two-bedroom flats/houses. Additionally, schemes for specialist housing can be supported on residential development sites and other suitable locations, including extensions to existing schemes, particularly in accessible areas, subject to satisfying other Local Plan policies.
- 6.39 The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.
- 6.40 Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Sandhurst to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for one wheelchair accessible dwellings over the Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally Applied to Sandhurst

	Percentage in England	% applied to NA housing requirement figure (25 to end of plan period)
Households using wheelchair all the time	0.6%	0 (0.2)
Households using wheelchair either indoors or outdoors	3.0%	1

Source: Survey of English Housing 2018/19

Conclusions- Specialist Housing for Older People

Current stock and demographics

- 6.41 There are 0 units of specialist accommodation in the NA at present and a total of 179 individuals aged 75 or over.
- 6.42 This chapter determines that future provision of specialist housing for older people may be needed to serve arising future demand, with population growth in Sandhurst expected to be driven by the older population age bands (a theme that was also identified in the 'Type and Size' chapter). Specifically, the number of 75+ individuals in the Parish is expected to increase substantially by 2038, and

account for a share of the total population around five percentage points greater than current levels. Without additional units of specialist housing in Sandhurst, it is likely that those in need will be forced to move out of the area.

Need for Specialist Housing for Older People

- 6.43 The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 6.44 These two methods of estimating the future need in Sandhurst produce a range of 25 to 27 specialist accommodation units that might be required during the Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
- 6.45 When thinking about future new development in Sandhurst, 66% of residents from the 2014 Sandhurst village survey said they would 'strongly agree/agree' to retirement homes to rent from a housing association and 63% to homes suitable for retirement for purchase or rent privately. The data provided in this chapter suggests that this desire remains unmet.
- 6.46 The current emerging Local Plan policy H6 provides explicit encouragement for development to accommodate specific groups such as older people. It stipulates that, schemes for specialist housing can be supported on residential development sites and other suitable locations, including extensions to existing schemes, particularly in accessible areas, subject to satisfying other Local Plan policies.
- 6.47 Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

Need for Additional Care Home Units

- 6.48 The HNA calculations suggest that 6 additional care home units in Sandhurst will be required to satisfy arising need over the Neighbourhood Plan period.

Alternative Solutions

- 6.49 In addition to seeking specialist supply through Sandhurst's Neighbourhood Plan housing delivery targets, another avenue open to the Steering Group is to discuss the standards of accessibility and adaptability in new development to be met in the Neighbourhood Plan with the Local Planning Authority.
- 6.50 Although there are no units of specialist accommodation in the NA at present, there are several facilities such as extra-care housing and age exclusive housing located at Hawkhurst just north of the NA, as well as retirement housing located at Northiam directly to the south. The majority of these units are offered as one-

or two-bedroom bungalows/flats on social rent tenures, with these being easily accessible from the NA along the A268 should the Steering Group have a preference to rely on specialist housing provision for its aging population beyond the parish itself. Details of these facilities are provided in Appendix E.

7. Next Steps

Recommendations for next steps

- 7.1 This Neighbourhood Plan housing needs assessment aims to provide Sandhurst Neighbourhood Plan Steering Group with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Tunbridge Wells 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 Tunbridge Wells;
 - 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 Tunbridge Wells.
- 7.2 This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
- 7.3 Bearing this in mind, it is recommended that the Sandhurst Neighbourhood Plan Steering Group should carefully monitor strategies and documents with an impact on housing policy produced by the Government, Tunbridge Wells or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 7.4 At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Assessment geography

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

- **LSOA:** E01024809 : Tunbridge Wells 014D

A.2 Many other datasets besides the Census itself make use of OAs, but not necessarily down to the same level of detail. For example, Valuation Office Agency (VOA) data, which can be used to understand the type and size mix of housing, is only available down to the scale of LSOAs. The most relevant LSOA in this case, which in this case identically fits with the NA boundary is also:

- **LSOA:** E01024809 : Tunbridge Wells 014D

A.3 Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. It should be noted that the relevant MSOA integrates data from the small village of Iden Green and Benenden village and civil parish to the northeast of Sandhurst as well as the larger village of Hawkhurst to the northwest. Nevertheless this proxy data will be relatively representative of affordability in the NA. The relevant MSOA, in which the NA is located and which will need to serve as a proxy for it, is:

- **MSOA:** E02005175

Appendix B : Local Plan context

Policies in the adopted local plan

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

Table B-1: Summary of relevant adopted policies in the Adopted Tunbridge Wells Borough Core Strategy Development Plan Document²⁴:

Firstly, the Core Strategy confers a hierarchy upon the Borough's settlements that will determine how development is quantitatively distributed: **Sandhurst** appears under the 'Villages' category within the Settlement Hierarchy, laid out in chapter 4 of the Core Strategy. The quantity of development to be delivered at each settlement reflects its position in the hierarchy, with Villages being projected to contribute 6% to the overall delivery target.

Policy	Provisions
Core Policy 1: Delivery of Development	<p>The Borough Council will allocate sufficient sites in the Allocations DPD and Town Centres Area Action Plan DPD to meet the Borough's known development needs. Priority will be given to the allocation and release of previously developed land within the LBD of settlements.</p> <p>Affordable housing (for local needs only) at the villages where the need cannot be met on a site within the LBD in accordance with Core Policy 6: Housing Provision.</p>
Core Policy 6: Housing Provision	<p><u>Housing Land Supply:</u></p> <ol style="list-style-type: none"> 1. Sufficient sites will be allocated and released to enable a net increase of 6,000 dwellings to be provided in the Borough in the period 2006 to 2026. 2. At least 65% of all housing development in the period 2006-2026 will be delivered on previously developed land. 3. Housing will be developed at a density appropriate to the specific character of the locality. It will contribute towards achieving the overall regional target of 40 dwellings per hectare and will not generally be below 30 dwellings per hectare. <p><u>Affordable Housing:</u></p> <ol style="list-style-type: none"> 4. Affordable housing will be provided as a proportion of the total number of dwellings to be delivered in the Borough and will be required on sites capable of delivering 10 dwellings or more. Where proposals are made for fewer than 10 dwellings, the Borough Council may have regard to whether the size of the site

²⁴ Tunbridge Wells Local Development Framework Core Strategy Development Plan (Adopted June 2010) available at: [Core Strategy \(tunbridgewells.gov.uk\)](http://tunbridgewells.gov.uk)

Policy	Provisions
	<p>would make it capable of accommodating more than that number.</p> <p>5. Developments on sites providing affordable housing will generally provide 35% of the total number of dwellings as affordable dwellings.</p> <p><u>Dwelling Size and Mix:</u></p> <p>7. The size and type of both market and affordable dwellings will reflect both current and projected local housing needs to ensure that proposed development contributes towards attaining a sustainable, balanced housing market. Provision will be made in subsequent DPDs for the following:</p> <ul style="list-style-type: none"> • achieving a mix of dwelling sizes that continues to meet the identified need for smaller dwellings, while also allowing for sufficient provision of family housing; • achieving a sustainable mix of dwelling types that will meet the needs of all people, including the following groups: older people; people with disabilities; vulnerable people; and minority ethnic communities.

Source: Tunbridge Wells Borough Council: Core Strategy Development Plan

Tunbridge Wells Borough Site Allocations Local Plan 2016²⁵

The Site Allocations document allocates land for housing, employment, retail and other land uses to meet the identified needs of the communities within Tunbridge Wells borough to 2026 and beyond. This follows the strategic objectives and sustainable development objectives set out within the Core Strategy.

POLICY H5 within this document states that at Benenden; Bidborough; Brenchley; Five Oak Green; Frittenden; Goudhurst; The Moor, Hawkhurst; Horsmonden; Iden Green; Kilndown; Lamberhurst; Langton Green; Matfield; Pembury; **Sandhurst**; Sissinghurst and Speldhurst:

- (i) minor infilling such as the filling of a narrow gap in an otherwise substantially built-up frontage
or development within the curtilage of an existing site;
- (ii) minor redevelopment; and
- (iii) redevelopment of redundant sites which are larger than minor development.

²⁵ Tunbridge Wells Borough Site Allocations Local Plan (Adopted July 2016) available at: [Site Allocations Local Plan \(tunbridgewells.gov.uk\)](http://tunbridgewells.gov.uk)

Policies in the emerging local plan

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

Table 2-2: Summary of relevant emerging policies in the Tunbridge Wells Submission Local Plan 2020-2038²⁶

Policy	Provisions
Policy STR 1 The Development Strategy	<p>The broad development strategy for Tunbridge Wells borough over the period 2020-2038, is to ensure that a minimum of 12,204 dwellings and 14 hectares of employment (Use Classes B and E) land are developed, together with supporting infrastructure and services.</p> <p>Policy STR 1 also limits development within the High Weald Area of Outstanding Natural Beauty²⁷ (which the Sandhurst NA is located within) to that which can be accommodated whilst still conserving its key characteristics, this being mostly small-scale, only promoting larger proposals where exceptional circumstances are demonstrated.</p> <p>This policy sets overall allocations for each parish/settlement, with an upper growth limit of 30 for Sandhurst and a lower limit of 20.</p>
Policy H 1 Housing Mix	<p>This policy states that residential development plans should help create and maintain balanced communities by providing a mix of homes in different sizes, types, and tenures. This mix should adhere to the guidelines in local policies and neighborhood plans, taking into account local housing needs and demand from sources like planning documents and housing surveys.</p>
Policy H 3 Affordable Housing	<p>Sites comprising mostly greenfield land (i.e. non previously developed land) delivering a net increase of more than nine dwellings will be expected to include a minimum of 40 percent of the gross number of residential units as on-site affordable housing provision.</p> <p>In addition to the Home Quality Mark standard that must be achieved under Policy EN Sustainable Design Standards, developers will need to meet Building Regulation Standard Part M4(2) (or any subsequent revision) on every affordable housing unit.</p>

²⁶ Tunbridge Wells Borough Submission Local Plan 2020-2038 available at: [Submission Local Plan \(tunbridgewells.gov.uk\)](https://www.tunbridgewells.gov.uk)

²⁷ Please note AONB's were changed to 'National Landscapes' in late 2023: [News: Introducing the High Weald National Landscape](#)

Policy	Provisions
Policy H 6 Housing for Older People and People with Disabilities	This policy highlights that housing designed for older individuals should include suitable amenity or garden spaces. Sheltered housing schemes, like Extra Care or equivalent, that contribute appropriately to communal amenity spaces are exempt from providing open space for youth or adult use. Development proposals should consider the housing needs of older people and those with disabilities proportionate to the project's size. For new housing developments with 20 or more homes, at least 10 percent should be suitable for older residents, such as bungalows or one to two-bedroom flats/houses. Additionally, schemes for specialist housing can be supported on residential development sites and other suitable locations, including extensions to existing schemes, particularly in accessible areas, subject to satisfying other Local Plan policies.
PSTR/SA 1 The Strategy for Sandhurst parish	The development strategy for Sandhurst parish is to: <ul style="list-style-type: none"> • Set limits to built development for Sandhurst village, as a framework for new development over the plan period, incorporating the allocation Policies AL/SA 1 and AL/SA 2 into the Sandhurst Limits to Built Development; • Build approximately 20-30 new dwellings (including 40 percent affordable housing) on two sites at Sandhurst village, as allocated under Policies AL/SA 1 and AL/SA 2; • Seek developer contributions, either in kind (normally land) and/or financial, from residential schemes to be used towards the provision of services including: youth play space; education; and health and medical facilities as appropriate to cover Sandhurst parish.
AL/SA 1 Land on the south side of Sayville, Rye Road and west 307 of Marsh Quarter Lane, Sandhurst	This policy allocates residential development providing approximately 10-15 dwellings, of which 40 percent shall be affordable housing. It sets requirements including but not limited to: <ul style="list-style-type: none"> • The provision of a transport assessment; • Provision of, pedestrian crossing facilities on Rye Road and provide for pedestrian connectivity between the site and Sandhurst Primary School; and • Provision of an arboricultural survey and landscape and visual impact assessment.
AL/SA 2 Sharps Hill Farm, Queen Street, Sandhurst	This policy allocates residential development providing approximately 10-15 dwellings, of which 40 percent shall be affordable housing. It sets requirements to development including but not limited to: <ul style="list-style-type: none"> • The provision of a single point of access to Queen Street, to be supported by a transport assessment; • Conservation Area shall be maintained; and

Policy

Provisions

- Provision of an arboricultural survey and landscape and visual impact assessment.
-

Source: Tunbridge Wells Borough Council: Submission Local Plan 2020-2038

Appendix C : Affordability calculations

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

Market housing

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

i) Market sales

- C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.
- C.4 In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
- C.5 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.
- C.6 However, unlike for incomes, data is not available for the savings available to households in Sandhurst, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
- C.7 The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2022) = £430,000;
 - Purchase deposit at 10% of value = £43,000;
 - Value of dwelling for mortgage purposes = £387,000; and
 - Divided by loan to income ratio of 3.5 = purchase threshold of £110,571.
- C.8 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2022 was £345,000, and the purchase threshold is therefore £88,714.

- C.9 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 0 sales of new build properties in the NA in 2022.
- C.10 There were too few recent sales in the NA specifically to determine an accurate average for the cost of new build housing in Sandhurst. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence, and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).
- C.11 Therefore an estimate has been calculated by determining the uplift between all house prices in 2022 across Tunbridge Wells and new build house prices in 2022 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2022 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £414,000 and purchase threshold of £106,457.
- C.12 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Tunbridge Wells in 2022. The median cost of new build dwellings in Tunbridge Wells was £540,000, with a purchase threshold of £138,857.

i) Private Rented Sector (PRS)

- C.13 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
- C.14 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.15 The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within the TN18 postcode area, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.
- C.16 According to [home.co.uk](https://www.home.co.uk), there were 9 properties for rent at the time of search in January 2024, with an average monthly rent of £1,993. There were 4 two-bed properties listed, with an average price of £1,899 per calendar month.
- C.17 The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:
- Annual rent = £1,899 x 12 = £22,788;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £75,960.

C.18 The calculation is repeated for the overall average to give an income threshold of £79,720.

Affordable Housing

C.19 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2023: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The new First Homes has been introduced in 2021 but is not yet included in the NPPF. Each of the affordable housing tenures are considered below.

i) Social rent

C.20 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

C.21 To determine social rent levels, data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Sandhurst. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Tunbridge Wells in Table C-1.

C.22 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£97	£111	£126	£141	£113
Annual average	£5,045	£5,769	£6,569	£7,335	£5,874
Income needed	£16,800	£19,210	£21,875	£24,424	£19,560

Source: Homes England, AECOM Calculations

i) Affordable rent

- C.23 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
- C.24 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit.
- C.25 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Tunbridge Wells. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.26 Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 40% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£122.01	£154.08	£184.02	£229.02	£153.23
Annual average	£6,345	£8,012	£9,569	£11,909	£7,968
Income needed	£21,127	£26,680	£31,865	£39,657	£26,533

Source: Homes England, AECOM Calculations

i) Affordable home ownership

- C.27 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.
- C.28 In paragraph 66 of the NPPF 2023, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.” There are exemptions to this requirement, including where:
- The provision would exceed the level of affordable housing required in an area;
 - The provision would significantly prejudice the ability to meet the identified affordable housing needs of specific groups;

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

First Homes

C.29 Because First Homes are a new tenure product, it is worth explaining some of their key features:

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

- C.30 The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £414,000.
- C.31 For the minimum discount of 30% the purchase threshold can be calculated as follows:
- Value of a new home (estimated NA new build entry-level) = £414,000;
 - Discounted by 30% = £289,800;
 - Purchase deposit at 10% of value = £28,980;
 - Value of dwelling for mortgage purposes = £260,820;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £74,520.
- C.32 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £63,874 and £53,229 respectively.
- C.33 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
- C.34 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2-bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m²⁸) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Sandhurst, as the discounted values are all well above this figure.
- C.35 Table C-3 shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	57%	81%	62%
NA estimated new build entry-level house price	56%	80%	61%
NA entry-level house price	47%	77%	53%
LA median new build house price	66%	85%	70%

²⁸ It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

- C.36 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
- C.37 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.
- C.38 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).
- C.39 The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £414,000 is £103,500;
 - A 10% deposit of £10,350 is deducted, leaving a mortgage value of £93,150;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £26,614;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £310,500;
 - The estimated annual rent at 2.5% of the unsold value is £7,763;
 - This requires an income of £25,875 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £52,489 (£26,614 plus £25,875).
- C.40 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £41,696 and £70,479 respectively.
- C.41 The income thresholds for the considered shared ownership tenures (10% 25% and 50%) fall below the £80,000 cap for eligible households, although an equity share of 75% would exceed this cap (at a total income of £88,468).

Rent to Buy

- C.42 Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Help to Buy (Equity Loan)

- C.43 The Help to Buy Equity Loan is not an affordable housing tenure but allows households to afford market housing through a loan provided by the government. With a Help to Buy Equity Loan the government lends up to 20% (40% in London) of the cost of a newly built home. The household must pay a deposit of 5% or more and arrange a mortgage of 25% or more to make up the rest. Buyers are not charged interest on the 20% loan for the first five years of owning the home.
- C.44 It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

- D.1 In Table D-1 AECOM has calculated, using PPG as a starting point,²⁹ an estimate of the total need for affordable rented housing in Sandhurst over the Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence available. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.
- D.2 It should also be noted that figures in Table D-1 are largely dependent on information provided by Tunbridge Wells in its capacity as manager of the local housing waiting list.

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

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	2	Latest waiting list data provided by Tunbridge Wells Council on November 28 (2023) for households on the Housing Register with a confirmed Local Connection to Sandhurst.
1.2 Per annum	0.1	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	59.7	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	19.1%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA.
2.2.1 Current number of social renters in NA	82.0	2021 Census social rented occupancy
2.2.2 Number of private renters on housing benefits	36.5	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	11.4	Step 2.1 x Step 2.2.
2.4 Per annum	0.8	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		

²⁹ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

3.1 Supply of social/affordable re-lets (including transfers) %	3%	Assumed proportion of stock re-let each year.
3.2 Supply of social/affordable re-lets (including transfers)	2.5	Step 3.1 x NA social rented stock (2.2.1).
NET SHORTFALL (OR SURPLUS) OF RENTED UNITS PER ANNUM		
Overall surplus per annum	1.6	Step 1.2 + Step 2.4 - Step 3.2

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

- D.3 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Sandhurst. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
- D.4 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.³⁰ No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.

Table D-2: Estimate of the potential demand for affordable housing for sale in Sandhurst

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	134.0	Census 2021 private rented occupancy.
1.2 Percentage renters on housing benefit in LA	27.3%	% of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in the NA	36.5	Step 1.1 x Step 1.2.
1.4 Current need (households)	73.1	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ³¹

³⁰ <http://www.ipsos-mori-generations.com/housing.html>

³¹ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership e.g. <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality, they could use the results of a local residents survey to refine or confirm this calculation.

1.5 Per annum	4.9	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	59.7	LA household projections for plan period (2018 based) pro-rated to NA.
2.2 % of households unable to buy but able to rent	12.4%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	7.4	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	0.6	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	5.0	Number of shared ownership homes in the NA (Census 2021).
3.2 Supply - intermediate resales	0.3	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall per annum	5.2	(Step 1.5 + Step 2.4) - Step 3.2.

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

- D.5 There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).
- D.6 It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Affordable housing policy

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

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

Consideration	Local Evidence
<p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally</p>	<p>This HNA suggests that the NA requires around 78 units (5.2 units per annum) of affordable home ownership but requires no additional units of affordable rented housing over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on mean incomes, however affordable rented</p>

<p>adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>housing appears to be more beneficial for LQ 2 incomes.</p> <p>Taken in isolation, the relationship between these figures suggests that affordable home ownership should be prioritized over affordable rented housing.</p>
<p>B. Can Affordable Housing needs be met in full?</p> <p>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.</p>	<p>If the Local Plan target of 40% were achieved on every site, assuming the delivery of the NA's housing requirement for 20-30 homes overall, up to 8-12 affordable homes might be expected in the NA over Plan period.</p> <p>This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. In the context of limited supply, it may be argued that the limited but more urgent and acute need for rented housing should be prioritised.</p>
<p>C. Government policy (eg NPPF) requirements:</p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	<p>For 10% of all housing to be affordable ownership in Sandhurst, where 40% of all housing should be affordable, 25% of Affordable Housing should be for affordable ownership. This complies with the guideline tenure split sought in the Local Plan.</p>
<p>D. Local Plan policy:</p>	<p>The emerging Local Plan states that there may be circumstances, such as scheme viability or to provide access to funding, where affordable rents may be acceptable, but given affordability levels, the Borough Council will normally seek to maximise social rented units in preference. Policy H3 doesn't specify a tenure mix within affordable housing.</p>
<p>E. First Homes policy:</p> <p>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</p>	<p>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. It is not possible to know whether the FH requirement will displace affordable</p>

<p>developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering 'top slicing' their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p>	<p>rent given the lack of a defined affordable housing tenure split in the local plan.</p>
<p>F. Viability:</p>	<p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.</p>
<p>G. Funding:</p> <p>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.</p>	<p>The Sandhurst Neighbourhood Plan Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p>H. Existing tenure mix in Sandhurst:</p> <p>The current stock of homes in an area, in terms of balance between ownership, rented</p>	<p>Approximately 15% of Sandhurst's tenure mix is in affordable tenures. 14 of those percentage points are for social rent</p>

<p>and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>tenures, and the remaining (approximately one) percentage point being for shared ownership tenures.</p> <p>In 2021, the proportion of affordable tenures in Sandhurst (for both social and shared ownership tenures) is slightly lower than in Tunbridge Wells and England.</p>
<p>I. Views of registered providers:</p>	<p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the NA. The funding arrangements available to housing associations will determine rent levels.</p>
<p>J. Wider policy objectives:</p>	<p>The Sandhurst Neighbourhood Plan Steering Group may wish to take account of broader policy objectives for Sandhurst and/or the wider borough. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.</p>

Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply in proximity to Sandhurst NA

Name	Description	Dwellings	Tenure	Type	
1	Bowles Lodge	Extra care housing in Hawkhurst (circa, 1km outside the NA)	48	Rent (social landlord)	One and two-bedroom flats
2	Goddens Gill	Retirement housing in Northiam (circa 2km outside the NA).	6	Rent (social landlord)	One-bedroom flats
3	Dunk's Almshouses	Age exclusive housing in Hawkhurst (circa, 1.5km outside the NA)	14	Licence	One-bedroom bungalows

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

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

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	293	42	14.3%	67	22.9%	184
Owned Total	238	30	12.6%	50	21.0%	158
Owned outright	210	27	12.9%	45	21.4%	138
Owned (mortgage) or shared ownership	28	3	10.7%	5	17.9%	20
Rented Total	55	12	21.8%	17	30.9%	26
Social rented	34	10	29.4%	10	29.4%	14
Private rented or living rent free	21	2	9.5%	7	33.3%	12

Source: DC3408EW Health status

HLIN calculations

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

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

Source: *Housing LIN SHOP Toolkit*

E.1 As Table 6-1 in the main report shows, Sandhurst is forecast to see an increase of 101 individuals aged 75+ by the end of the Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 0.101 = 6$
- Leasehold sheltered housing = $120 \times 0.101 = 12$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 0.101 = 2.01$
- Extra care housing for rent = $15 \times 0.101 = 1.51$
- Extra care housing for sale = $30 \times 0.101 = 3.02$
- Housing based provision for dementia = $6 \times 0.101 = 0.60$

Appendix F : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods³².

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard³³

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.

³² The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

³³ 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 developments (NPPF definition)

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

Community Right to Build Order³⁴

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)³⁵

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

Equity Loans/Shared Equity

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.

³⁴ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

³⁵ 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

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

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning

authorities should work with all the other constituent authorities under the duty to cooperate.

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing

strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of this Framework).

Local Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years³⁶, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

³⁶ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing³⁷

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

³⁷ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.³⁸

³⁸ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

