

Market Bosworth

Housing Needs Assessment (HNA)

December 2022

Quality information

Prepared by	Checked by	Approved by
Paul Avery Principal Housing Consultant	Kerry Parr Associate Director	Kerry Parr Associate Director

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Prepared for:

Market Bosworth Parish Council

Prepared by:

AECOM Infrastructure & Environment UK Limited
Aldgate Tower
2 Leman 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)
HBBC	Hinckley and Bosworth Borough Council
HENA	Housing and Economic Needs Assessment
HMA	Housing Market Area
HNA	Housing Needs Assessment
HNS	Housing Needs Study, specifically that produced for Hinckley and Bosworth Borough Council in 2019
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
VOA	Valuation Office Agency

1. Executive Summary

1. Market Bosworth is a Neighbourhood Area (NA) located in the borough of Hinckley and Bosworth. The NA boundary covers the areas administered by Market Bosworth Parish Council. Although Market Bosworth is also the name of the main settlement, it is used throughout this report to refer to the parish or NA unless otherwise stated.
2. The Office for National Statistics mid-2020 population estimate for Market Bosworth is 2,241 individuals, indicating an increase of 144 people since the 2011 Census.
3. There has been some development in Market Bosworth in recent years. Hinckley and Bosworth Borough Council (HBBC) provided data showing that 48 new homes (net of demolitions) have been built since 2011. The current total number of dwellings in the NA is therefore estimated to be 1,006.
4. According to HBBC, as of March 2022, outstanding commitments (dwellings on sites with planning permission) total 77 homes. This is composed of two large sites, one for 73 and one for 3 homes (the latter being the remaining 3 dwellings yet to complete at Ambion Court, which is considered a large site overall), and 1 home on a smaller site.
5. Data from the 2021 Census is being released at the local authority level throughout 2022 and 2023. At present, the available data only covers population and households, but is expected to include the dwelling stock by the end of the year. Data from the Census 2021 at the localised level, including parishes, will not be available until 2023 at the earliest. As such, neighbourhood level HNAs will draw on the latest available data at the local authority level and continue to use other data sets, including Census 2011 and ONS parish projections to build up evidence of demographics at the neighbourhood level. Up to date data is available at the neighbourhood level on the dwelling stock, prices and rents from other sources (including the Valuation Office Agency and Land Registry). As such, most of the data the HNA draws on is not reliant on the Census.
6. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Parish Council at the outset of the research.

Quantity of New Housing

7. This HNA recommends an overall HNF of 179 dwellings for Market Bosworth, which equates to 9.4 dwellings per year between 2020 and 2039, or a residual HNF of 154 dwellings between 2022 and 2039 after completions to date have been deducted. There are, in addition, currently 77 dwelling commitments outstanding in the NA. If implemented, this will halve the residual HNF, leaving a further 77 homes to potentially be accommodated.
8. The housing figure for Hinckley and Bosworth is derived from the Government's standard method and is likely to change annually as ONS publishes new affordability data each year and new household projections approximately every two years. Furthermore, the overall housing target for the Borough will be informed by other factors in addition to the

standard method, notably the distribution of Leicester's unmet needs. This could impact on the number of homes required in Hinckley and Bosworth and any indicative housing requirement figure provided by Hinckley and Bosworth for neighbourhood areas.

9. Hinckley and Bosworth's local housing need figure has been broken down with the aim of allocating an appropriate share to Market Bosworth with reference to the strategy for the pattern and scale of new development across the district as expressed in the latest local development plan, which takes into account the sustainability and suitability of the district's various settlements for growth. This was not possible to quantify based on the available information, and so a portion of Hinckley and Bosworth's need has been attributed to Market Bosworth based on population statistics alone.
10. Note for comparison that the potential minimum housing need for the ward of Cadeby, Carlton and Market Bosworth with Shackerstone provided in the 2019 Housing Needs Study for Hinckley and Bosworth was expressed as a range of between 14 and 18 dwellings per year depending on the demographic scenario used. Given that Market Bosworth, at 2,097 people, constituted 60% of the wider ward's total population of 3,492 (at the time of the 2011 Census), it can be considered reasonable to assume that Market Bosworth's share of the ward's potential housing need is also approximately 60%.
11. This would equate to 8-11 (rounded) dwellings per year, which aligns closely with the baseline HNF calculated here of 9 dwellings per year. The Housing Needs Study states that "caution should be used when interpreting these figures, and they should not be considered as a target for any particular area". If a similar methodology is employed when HBBC provide Market Bosworth with a final housing target, it is likely to produce a similar HNF to that identified here.
12. At the time any final Neighbourhood Plan housing requirement figure is provided by Hinckley and Bosworth, it can be considered to supersede the provisional calculation within this study. Consequently, there is a need for the neighbourhood group to continue to engage with the LPA to confirm the final housing figure for the Neighbourhood Plan.
13. The purpose of this study is to help understand the scale and characteristics of housing need in Market Bosworth to 2039, irrespective of the constraints and issues of land supply that may have a greater impact on what can be built in future years. While those factors are beyond the scope of this work, they are relevant and are worth summarising briefly here.
14. It is the perception of the community and Parish Council that the current capacity of schools, doctors surgeries, other facilities and transport infrastructure may not be compatible with unlimited residential growth. In addition, traffic is a significant issue in the medieval town centre especially. Given the limited public transport services, mainstream housing development, as well as impacts arising from other forms of accommodation (such as the marina and holiday lodges), will clearly increase pressures on traffic and parking. It is not possible to quantify here what scale of growth would be appropriate or not, but these factors are very important locally and could justifiably feature in the approach taken to the Neighbourhood Plan and representations on the emerging Local Plan.

Affordability and Affordable Housing

Current tenure profile

15. Home ownership is the dominant tenure in Market Bosworth, representing a similar share of the total (76%) as the Borough but a higher share than the national average. Of the remaining households, slightly more live in social than privately rented accommodation. The rate of social renting is slightly above the Borough average. The number of privately rented homes expanded by 156% between 2001 and 2011 but remains relatively low, with few homes available for rent at the time of search in October 2022.

Housing costs

16. Home values in the NA have followed a clear upward trajectory despite some year-on-year fluctuations. The current median house price (middle number when arranged from lowest to highest) is £336,500, which is 35% higher than the 2012 average. The lower quartile price (the lowest 25% of prices, used as a good proxy for entry-level housing) stands at £277,000, which is 46% higher than its level in 2012. This suggests that entry-level homes are appreciating at a faster rate than the wider market, constraining the ability of first-time buyers to gain a foothold on the property ladder.
17. It is also worth noting that the current median house price in Market Bosworth is 43% higher than the current median for Hinckley and Bosworth as a whole, suggesting the NA is a particularly high-value market locally. That said, this difference also reflects the different mix of homes in the two areas, with the NA having higher proportions of larger and detached dwellings than the Borough as a whole (see Type and Size chapter).
18. AECOM has estimated the annual income required to afford various tenures of housing in Market Bosworth – each of which is explained in detail in Appendix C. These thresholds are compared to incomes to determine which options are the most appropriate for local people going forward. The average household income in the NA area was £46,500 in 2018, and the lower quartile income (per person) for Hinckley and Bosworth was £18,729 in 2020.
19. It was found that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. The median house price would require an annual income nearly double the current average. Private renting is generally more affordable, being accessible to dual lower earning households as well as average earning households. Households made up of a single lower earner, however, cannot afford the given rental thresholds.
20. Subsidised routes to home ownership like First Homes and shared ownership are intended to target people who can afford to rent but not to buy. In Market Bosworth there is a relatively large gap between the income needed to afford to rent (£30,000) and to buy (£70,000), who may benefit from these products.
21. The discount on First Homes can be set at 30%, 40% or 50% in Neighbourhood Plans. Given that only 50% discounted properties would be within reach of average earning households, this maximum discount level is most suitable here from an affordability perspective. The Parish Council is advised to discuss this possibility with HBBC, who may

be able to supply evidence of development viability that is also relevant to this policy option.

22. Affordable rented housing appears generally affordable to households with two lower earners (average earning households are unlikely to be eligible). Single lower earners can afford average social rents and affordable rents but the lowest earners, if unable to secure a social rented dwelling or additional subsidy, may need to live in a room in a shared house using housing benefits.

The need for Affordable Housing

23. AECOM estimate that there will be a long-term surplus of affordable rented housing in Market Bosworth rather than an unmet need. This amounts to an annual surplus of 1.3 affordable rented homes or 20 over the Neighbourhood Plan period as a whole.
24. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 21 households). The reason for the affordable rented housing need being met over the long-term is the size of the existing stock of social housing and the historic turnover rates provided by HBBC, which suggests that vacancies will be able to satisfy the projected newly arising need as well as some of the backlog.
25. 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 living elsewhere in the wider area. The HENA identifies a substantial need for 321 affordable rented homes per year across Hinckley and Bosworth. Hypothetically, if Market Bosworth were to meet 2% of the Borough's need (2% is the share of the Borough population living in the NA) this would imply 122 such homes over the Neighbourhood Plan period. This is not necessarily an obligation on Market Bosworth, but the degree to which it might meet the wider need is a point for discussion with HBBC.
26. AECOM estimate the need for 5.6 affordable home ownership dwellings per annum in Market Bosworth, equating to a total of 89 over the Neighbourhood Plan period. The households eligible for such homes 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

Affordable Housing policy

27. Affordable Housing is typically provided and made financially viable by Borough-wide planning policies that require it to be included at a set proportion of market housing developments. Hinckley and Bosworth's adopted and emerging policies on this subject require 40% of all new housing be affordable. This is a policy area within the remit of the Local Planning Authority, but it is worth considering what the most appropriate mix of Affordable Housing products might be in the NA specifically.
28. AECOM recommends that the tenure mix of Affordable Housing secured in future years gives slightly higher priority to affordable home ownership options (65%) than the emerging Local Plan default (44%), with the remainder protecting affordable rented

provision. The reasons for this are the already high rate of social renting in the NA, the higher potential demand for ownership options in the AECOM estimates, and the value provided by all forms of Affordable Housing tested in the affordability assessment earlier in this chapter.

29. There is no obligation to follow this recommendation or to depart from the emerging Local Plan default mix if that is more in line with the community's objectives. Further discussion with HBBC about the options and their advice would be beneficial, and could cover issues beyond the scope of this report, such as development viability.

Type and Size

The current housing mix

30. The current dwelling mix in Market Bosworth is weighted in favour of less dense home types, notably detached houses. The proportion of bungalows, at 14%, is the same as Hinckley and Bosworth and higher than the national average. The housing stock is fairly large in terms of the number of bedrooms properties have: a third of homes have 4 or more bedrooms compared to a fifth at Borough and national scales. In summary, Market Bosworth is characterised by large homes and types that tend to be more expensive. This may be a factor in the NA's challenging affordability picture.

Population characteristics

31. The NA population, which was consistently older than that of the Borough and England in 2011, is estimated to have aged since then, with particular growth in the 65-84 age group. However, there has also been robust growth in the number of children, indicating that people view Market Bosworth as a suitable location for starting a family. This suggests that over the lifetime of the Plan many additional people will fall into older age brackets and a number of young adults may become ready to form their own households. Both groups may require a change of accommodation and could be key market segments for new development.
32. Applying ONS household projections for Hinckley and Bosworth to the Market Bosworth population in 2011 suggests that population growth can be expected to be driven by the oldest households, with the 65+ age group nearly doubling to become the largest single group (at 49% of the total) while all other age bands grow at more modest rates.
33. In the 2021 Census Market Bosworth has a similar balance of single person to family households as is apparent at Borough and national scale. However, the NA diverges from wider averages in its larger proportion of households aged over 65 and smaller proportion of households with dependent children. While the latter group remains relatively small, it expanded by 26% since 2011. Note that the Census dataset relating to household composition is so far the only one relevant to housing that has been released for small areas.
34. As of the 2011 Census, more than 80% of households in the NA had at least one more bedroom than they would be expected to need, and 55% had at least two extra bedrooms. This is not surprising given the relatively large housing stock. Under-occupancy was most

common among couples with no children, older households and single people. While not uncommon, this might suggest that Market Bosworth's larger housing is not necessarily being occupied by households with the most family members, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties.

Future population and size needs

35. It is possible to estimate the size mix of future homes that might best accommodate demographic trends and address imbalances in the existing housing stock. The result of this process suggests that new development should be focused on smaller and mid-sized homes, with few larger properties likely to be needed. This could help to achieve three key outcomes: improving affordability, meeting the needs suggested by demographic trends (notably the ageing of older people and growth to adulthood of the recent increase in children) and diversification away from the high proportion of 4+ bedroom homes in the current stock.
36. This recommendation is broadly corroborated by the findings of the 2020 household survey and is not significantly out of line of the evidence for Hinckley and Bosworth presented in the 2022 HENA. However, those sources of evidence would justify retaining a modest proportion of larger homes in the development pipeline to preserve choice in the market.
37. 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

Existing supply of specialist housing

38. There is one specialist accommodation scheme (soon to be completed) and two care homes in Market Bosworth at present, according to the Elderly Accommodation Counsel search tool.
39. There is good provision for those with financial means and high care needs (provided by the care homes), and for those with limited means and limited needs (provided by Ambion Court). However, there are potential gaps in the market for independent accommodation for purchase on the private market (at low and high levels of care), and for extra care accommodation for those in financial need.

Characteristics of the current older population

40. There are currently estimated to be around 386 individuals aged 75 or over in Market Bosworth, representing 17% of the population.
41. A clear majority (86%) of Hinckley and Bosworth households aged 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2039) are owner occupiers and the remainder predominantly rent from a social landlord. This is important because those currently

owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent will need to rely on subsidised rented housing because they are unlikely to have the funds to buy. Rates of disability in Market Bosworth are also higher among social tenants than owner-occupiers.

Projected demographic change and need for specialist housing

42. The 75+ population of the NA is projected to increase to 636 people over the Plan period, to become 24% of the population in 2039.
43. The growth in the older population, which, rather than the total, is the focus of the estimates of need here, should be converted into households because some older people will be cohabiting in old age. The projected household growth among those aged 75+ in Market Bosworth is 183.
44. 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 and the results of the HENA for Hinckley and Bosworth.
45. The two Market Bosworth specific estimates suggest a range of 63 to 82 specialist accommodation units might be required during the Plan period. The HENA indicates 2,236 dwellings will be needed across the Borough to 2041. When this estimate is pro-rated to Market Bosworth and to the year 2039 it suggests a need for 41 dwellings. This is lower than the HNA estimates because it does not reflect the fact that Market Bosworth has an older population than Hinckley and Bosworth overall.
46. The HNA estimates are also broken down by tenure and level of support required. Broadly, 60-80% of the need is for accommodation offered for market purchase. This chimes with the higher propensity of older households to be homeowners and the fact that all of the current supply of specialist housing (as opposed to care homes) in the NA is socially rented, leaving a gap in the market for homes for purchase.
47. Around 55-75% of the need is found to be for sheltered housing with limited support rather than additional care arrangements. This appears to be appropriate given that some of the need for extra-care housing could be met in the two care homes, although this is a different proposition in terms of independence and funding options.
48. The potential need for care and nursing home beds in Market Bosworth can be roughly estimated at a total of 102 to 2039. Given the two existing homes provide accommodation for up to 77 people, this suggests a further 25 units could be needed.

Accessibility and adaptability

49. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, an alternative or additional avenue to the provision of additional specialist homes is to discuss the standards of accessibility and adaptability required of new development with HBBC. There is a particularly high degree of overlap between the

groups served by sheltered specialist housing and adapted mainstream housing, so the unmet need for such homes identified here can be reduced through this means.

50. The emerging Local Plan introduces requirements for housing accessibility: all new homes should meet M4(2) accessible homes standards, and 5% of new homes should meet M4(3) wheelchair user homes standards. The evidence gathered here would appear to justify achieving these targets as far as possible in Market Bosworth. It is unclear whether Neighbourhood Plans can set their own higher requirements so discussions with HBBC are advised if this is a key priority.

2. Context

Neighbourhood Plan context

1. Market Bosworth is a Neighbourhood Area (NA) located in the borough of Hinckley and Bosworth in Leicestershire. The NA boundary aligns exactly with the existing parish boundary of Market Bosworth, which includes the settlement of Far Coton. The NA was formally designated in 2013.
2. The Market Bosworth Neighbourhood Plan 2014-2026 was adopted in 2015. It was modified in 2021 to reflect the findings of a 2020 AECOM Housing Needs Assessment (HNA), which focused solely on the issue of the overall quantity of housing needed. The present study has been commissioned to support a more comprehensive review of the Neighbourhood Plan.
3. The updated Neighbourhood Plan is currently envisaged to start in 2020 and extend to 2039, therefore covering a period of 19 years. The evidence supplied in this report will look ahead to the proposed end date of 2039, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.

The neighbourhood area boundary and key statistics

4. Market Bosworth is a small historic market town, offering a range of services and amenities including independent shops and cafes, pubs, a hotel, greengrocer, co-op, newsagent, estate agents and a bank (the latter scheduled to close in April 2023). There is a doctor's surgery, dentist and library as well as three schools, three churches and a fire station.
5. The town is a recognised visitor centre with a designated Country Park, the Battlefield Line steam railway, Bosworth Lakeside Lodges and Bosworth Marina on the Ashby Canal which has moorings for 150 boats. In addition to its rich history, Market Bosworth is notable for its varied landscapes and views which can be appreciated from the many countryside footpaths including being part of the 'Leicestershire Round'.
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 Market Bosworth is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Market Bosworth Neighbourhood Area



Source: Market Bosworth Neighbourhood Plan 2014-2026

7. At the time of the 2011 Census the NA was home to 2,097 residents, formed into 924 households and occupying 958 dwellings. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Market Bosworth is 2,241 – indicating population growth of around 144 individuals (or nearly 7%) since 2011¹.
8. Hinckley and Bosworth Borough Council (HBBC) have supplied data on the new homes completed in the NA since 2011 through their Residential Land Availability monitoring reports. The latest report (accurate to March 2022) suggests that 48 new homes (net of demolitions) have been built since 2011. Only 1 completion took place in Far Coton. The rest were in Market Bosworth itself. This suggests that the total current number of dwellings in the NA is 1,006. The growth in the number of dwellings is consistent with the growth in the number of people, assuming household size is broadly similar to 2011.
9. Parish-level data from the 2021 Census is expected to be released in 2023 and will provide a more accurate picture of population and housing numbers.

¹ 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

10. Whilst this HNA focuses on Market Bosworth 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.
11. In the case of Market Bosworth, the NA sits within a housing market area which covers Leicester and Leicestershire. This is established in the Housing and Economic Needs Assessment (HENA) for Leicester and the Leicestershire authorities. 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, principally looking west toward Coventry and Birmingham.
12. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Market Bosworth, are closely linked to other areas. In the case of Market Bosworth, changes in need or demand in settlements nearby is likely to impact on the neighbourhood. This is most clearly apparent for Leicester, which is relying on its neighbouring authorities to address a proportion of its unmet needs.
13. In summary, Market Bosworth functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Hinckley and Bosworth), 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

14. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.² In the case of Hinckley and Bosworth, the relevant adopted Local Plan consists of:
15. The Hinckley and Bosworth Local Plan 2006-2026 provides the overall planning framework for the borough to 2026. It was formally adopted in December 2009 and comprises the following documents:
 - Core Strategy Development Plan Document (DPD);
 - Site Allocations and Development Management Policies DPD; and
 - Area Action Plans for 1) Hinckley Town Centre and 2) Earl Shilton and Barwell.
16. Hinckley and Bosworth Borough Council (HBBC) are currently in the process of preparing a new Local Plan, which will set out land allocations and planning policies for the period

² 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>

2020-2039. A submission draft of the emerging Local Plan was consulted upon in March 2022. However, there are several matters arising from the consultation, along with changes to the national planning context, that need to be addressed and have caused HBBC to review the timetable for completing the Local Plan. It is important to note that these issues include overall housing requirements, which impacts on the ability of HBBC to provide Neighbourhood Plan areas with need figures.

17. Another important aspect of the planning context in Hinckley and Bosworth is the Borough's five-year land supply position. The Residential Land Availability Monitoring Statement for March 2022 concluded that Hinckley and Bosworth requires a total of 2,480 deliverable dwellings over the five years beginning in April 2022. However, the estimated deliverable supply of housing over the same period is 2,424 dwellings, leaving the borough with a shortfall of 56 dwellings during the period.
18. Where a Local Planning Authority (LPA) cannot demonstrate an adequate supply of specific deliverable housing sites to meet its housing need for the next five years the 'presumption in favour of sustainable development' set out in the 2021 National Planning Policy Framework (NPPF) will apply.³ The presumption in favour of sustainable development, in such a case, means that permission should be granted to all development proposals in the affected area unless those proposals contravene policies in the NPPF or have clear adverse impacts that significantly and demonstrably outweigh their benefits when assessed against the NPPF. Effectively, national policy takes over from local policy, and specific Local Plan policy provisions are given less weight, however there are exceptions to this set out in the NPPF.
19. 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. In this case, because of the uncertain status of the emerging Local Plan, particularly around housing numbers, it is worth summarising both Plans and highlighting key changes relevant to housing.
 - The adopted Core Strategy establishes a target of 9,000 new dwellings over the period 2006-2026. The emerging Local Plan makes provision for 9,124 new homes over the period 2020-2039.
 - The Core Strategy and emerging Local Plan set out a hierarchy of settlements with the main urban area around Hinckley at the top, Key Rural Centres as the next most appropriate location for development, followed by Rural Villages and Rural Hamlets. In both Plans, Market Bosworth is categorised as a Key Rural Centre. In the emerging Local Plan Far Coton is added to the list of Rural Hamlets where only limited development is acceptable.
 - In the Core Strategy, Market Bosworth's residual housing requirement after existing commitments are deducted is 43 homes. An allocation of one site for 100 dwellings satisfies the residual requirement.
 - In the emerging Local Plan no specific housing requirement figure is given, but the 100-dwelling allocation (Land South of Station Road) is taken forward and Phase

³ See paragraph 11 of the 2019 NPPF, available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf

Two of the same site is allocated for a further 243 dwellings. Added to the completions and commitments known at the time of publication the estimated housing supply for Market Bosworth to 2039 is stated as 375 homes. This equates to an almost 40% increase on the existing housing stock.

- In rural areas (including Market Bosworth), Affordable Housing is sought at 40% of all new homes in both Plans. In the Core Strategy the threshold at which point this policy applies is sites of 4 or more dwellings. This is raised to 10 or more in the emerging Local Plan. The emerging Local Plan specifies a tenure mix within Affordable Housing of 56% homes for rent, 25% First Homes and 19% other forms of affordable home ownership. This is a departure from the mix of 75% social rent and 25% affordable home ownership specified in the Core Strategy.
- Both Plans seek a range of housing types and tenures on all sites. The emerging Local Plan introduces additional requirements for housing accessibility: all new homes should meet M4(2) accessible homes standards, and 5% of new homes should meet M4(3) wheelchair user homes standards.

3. Objectives and approach

Objectives

20. This Housing Needs Assessment (HNA) is structured according to a number of themes or topics that were agreed at the outset of the research with the Market Bosworth Parish Council. 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.

Quantity

21. The objective of this chapter is to understand what quantity of housing overall might be needed in the NA over the Plan period.
22. This question properly falls within the remit of the LPA, to whom the National Planning Policy Framework (NPPF) gives responsibility for determining the overall housing need or requirement for any designated NA.
23. Market Bosworth does not currently benefit from a specific housing requirement figure provided by Hinckley and Bosworth through the Local Plan process, and the detail provided in the Local Plan about the supply of housing may be revisited. This is due to a number of factors, including issues raised in the consultation on the emerging Local Plan in March 2022. There is also broader uncertainty about the use and status of housing numbers in the planning system.
24. In the absence of a figure for Market Bosworth, AECOM have agreed to supply an indicative estimate to help the Parish Council understand the potential scale of need in future years. This can be helpful context for the Neighbourhood Plan, particularly when considering the allocation of housing sites. HBBC have given their support to AECOM providing this.
25. However, the indicative figure provided here will be automatically superseded when an HBBC-provided figure emerges in future. HBBC have noted their intention to revisit the housing sections of the Local Plan and to work with neighbourhood planning groups going forward.
26. It is also worth noting that the scale of future development in the parish will have a significant impact on services, infrastructure, traffic and other concerns. It is understood that this is particularly apparent in Market Bosworth, which is constrained by a medieval centre and important landscapes, leading to an intensification of traffic and infrastructure issues in particular. These knock-on impacts are beyond the scope of this HNA, but remain valid considerations when the evidence presented here is taken forward into the Neighbourhood Plan.

Affordability and Affordable Housing

27. 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.
28. This chapter has three objectives, 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.
29. 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 policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

Type and Size

30. 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.
31. 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**.
32. In addition to the direction of travel revealed by statistics, a variety of reasons sit behind the housing choices that individual households make and these 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 where available and appropriate.

Specialist Housing for Older People

33. It may be appropriate for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older persons.
34. 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**.

35. 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

36. 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 2011 Census and a range of other data sources, including:

- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information at the neighbourhood level;
- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Rightmove;
- Local Authority housing waiting list data; and
- The Hinckley and Bosworth Borough Council Housing Needs Study (HNS), published in November 2019, and the Leicester and Leicestershire Housing and Economic Needs Assessment (HENA), published in April 2017 (updated June 2022).

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

4. Quantity of New Housing

Introduction

38. The objective of this chapter is to understand what quantity of housing overall might be needed in the Neighbourhood Area (NA) over the Neighbourhood Plan period.
39. This question properly falls within the remit of the Local Planning Authority (LPA), to whom the National Planning Policy Framework (NPPF) gives responsibility for determining the overall housing need or requirement for any designated NA. More background on this point is provided in the Policy Background section below.
40. In the absence of a housing figure provided by the LPA, AECOM can supply an indicative estimate to help neighbourhood planning groups understand the potential scale of need in future years. This can be helpful context for the Neighbourhood Plan, particularly when considering the allocation of housing sites.
41. However, the indicative figure provided by AECOM has a lower status to one provided by an LPA and could, in theory, be automatically superseded if an LPA-provided figure emerges in future. In this case, however, HBBC have indicated they intend to work with Neighbourhood Planning groups to collaborate on realistic figures and may take into account the outputs of this HNA.
42. As well as having a different status to an LPA-provided housing figure, AECOM's indicative figure is more limited in how it can be calculated. It is important to highlight that there is no established method for calculating the overall housing need of small areas. While the NPPF requires LPA's to provide figures for NA's upon request, neither the NPPF nor Planning Policy Guidance (PPG) set out exactly how this should be done. As a result, LPAs take a variety of different approaches.
43. Generally, the methods used are top-down in nature, meaning that they try to determine what share of the Local Authority area's need is attributable to the NA. It is possible to use a bottom-up approach, likely drawing on household survey evidence, but this tends to be less consistent in terms of the data used and risks distorting the wider picture when multiple such estimates are aggregated.
44. AECOM's approach in HNAs is quite limited and simplistic for reasons of consistency and because certain judgements would require a wider scope and/or remain in the remit of the LPA. For example, LPAs can make their own determinations about the suitability of the NA for housing growth, noting for example its infrastructure and environmental constraints, or the role it plays in the local area relative to other locations.
45. For this reason, the number provided here is termed a Housing Need Figure (HNF) rather than sharing the terminology generally used by LPAs, which would speak of a Housing Requirement Figure (HRF). A need figure is a simpler expression of what might be needed, irrespective of the additional objectives, constraints and wider targets that might go into a more formal requirement or housing target. In short, a HRF can reflect the wider planning strategy in addition to local need.

Policy background

46. The NPPF (paragraph 66) states that strategic policy-making authorities “*should establish a housing requirement figure for their whole area which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the Plan period. Within this overall requirement, strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations*”.
47. NPPF paragraph 67 states that “*Where it is not possible to provide a requirement figure for a neighbourhood area the local planning authority should provide an indicative figure, if requested to do so by the neighbourhood planning body*”. This indicative figure should (amongst other things) “*take into account factors such as the latest evidence of local housing need, the population of the neighbourhood area and the most recently available planning strategy of the planning authority.*”⁴
48. In calculating this HNF, it should be noted that paragraphs 66 and 67 place specific obligations on strategic or local planning authorities and no other parties (i.e. AECOM is not obliged to follow directly paragraphs 66 and 67). That said, AECOM’s calculation will be of most use as a starting point if it can seek to mirror the NPPF suggested approach as closely as possible, and so this is the reasonable approach that has been taken
49. The PPG⁵ states that “*Housing need is an unconstrained assessment of the number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations*”.
50. A HNF is a ‘policy-off’ figure. This means that, while it takes account of the factors set out in paragraph 67 of the NPPF and dwelling completions over the course of the Plan period, it is an expression of total housing demand unconstrained by the limits of the land available to build on. It is also unconstrained by the impact of policies that either facilitate or obstruct development. A policy-off figure can then be reviewed in light of further evidence including environmental constraints, land availability, relevant Local and Neighbourhood Plan objectives and policies, to formulate a ‘policy-on’ HRF.
51. This, again, is the difference between the Housing Need Figure (HNF) calculated here and the Housing Requirement Figure (HRF) that the Neighbourhood Plan may take forward based upon it, or which may be provided by the LPA. The HNA figure represents a blunt expression of need rather than a requirement.

Approach

52. The number of new dwellings that might be planned for in the NA over the Plan period (the Housing Need Figure or HNF) is estimated using a three-step approach that seeks to reflect to the maximum extent the National Planning Policy Framework (NPPF) 2021,

⁴ NPPF, paragraph 67, available at <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

⁵ Paragraph: 001 Reference ID: 2a-001-20190220 at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Planning Practice Guidance (PPG) advice, and the April 2021 Government response to its consultation on 'Changes to the current planning system'.⁶ This is summarised in the box below:

Step 1: Standard method

The HNF for the Neighbourhood Area should take as its starting point the housing target for the Local Authority area in which it sits. The baseline for our calculation for the NA is therefore a share of the current LPA Local Housing Need (LHN) figure that reflects the share of the district population living in the Plan area.

NPPF requires Local Authorities, and anyone calculating LHN in their place, to use the 'standard method' for calculating the minimum number of homes that a local authority should plan for in an area. The standard method is a simple and transparent way of calculating a baseline of need that can be applied consistently across the country using publicly available datasets. It produces a starting point for planning and not the final housing requirement.

The standard method was set out in PPG in February 2019 and has been updated to reflect changes since.⁷ The result changes annually so it is important this is calculated afresh here rather than relying on any standard method results published in the Local Plan.

Step 2: LPA planning strategy

The NPPF guidance then states that the initial needs figure for neighbourhood plans should reflect "the overall strategy for the pattern and scale of development and any relevant allocations,"⁸ and "the most recently available planning strategy of the local planning authority."⁹

This means introducing Local Authority spatial policy, housing targets, and assessments of housing need at different scales to estimate a more locally appropriate proportion of the LHN that should be provided in NA. This will often result in a slightly different figure to that produced in Step 1.

The goal is to whittle down a share of the LHN that is attributable to the Neighbourhood in a way that is less blunt than using population statistics alone (as in the Step 1 baseline), and that reflects to some degree the suitability of the NA relative to other settlements in the area. The best sources for this are the LPA's settlement hierarchy, any settlement suitability scoring exercise that has been undertaken, or the distribution of allocations.

Step 3: Dwelling completions

Next, any dwellings that have already been completed over the Plan period to the present date should be deducted from the total in order to provide a residual HNF for the remainder of the Plan period that reflects past under- or over-delivery. While it is appropriate to consider existing commitments (i.e. dwellings with planning permission, but not yet completed) at this point, they should not be deducted from the total until they are completed.

⁶ Available at: <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system>.

⁷ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

⁸ NPPF, paragraph 65, page 18.

⁹ Ibid.

53. Employing this methodology, the HNF for Market Bosworth is calculated below.

Standard method (Step 1)

54. Firstly, the Local Housing Need (LHN) for the Local Authority area is calculated using the standard method outlined in PPG. This can then be pro-rated to the NA according to population statistics to give a baseline estimate of its needs.
55. The Hinckley and Bosworth LHN figure, using the standard method, is calculated as follows:¹⁰
56. **Stage one** is to set the baseline, by calculating the projected average annual household growth in Hinckley and Bosworth over a 10-year period, beginning with the current year, using the most recent ONS household projections:
- According to Hinckley and Bosworth’s 2014-based household projection, total household growth will be 3,705 households between 2022 and 2032. This equates to an annual average of 371 dwellings.
57. **Stage two** is to adjust this annual average using the most recent ONS median workplace-based affordability ratios,¹¹ which provide the ratio of house prices to earnings in various geographies. For each 1% increase in the ratio above 4, projected household growth should be increased by a quarter of a percent:
- Hinckley and Bosworth’s 2021 median affordability ratio is 8.38. Using the formula outlined in PPG to calculate the adjustment factor¹² results in a minimum annual figure of 472 dwellings (rounded).
58. **Stage three** is to apply a cap which may limit the magnitude of the Stage Two increase. How this is calculated depends on the current status of relevant strategic policies for housing. There are two options depending on whether those policies were adopted within the last five years or are older:
- Option 1: where the relevant strategic policies were adopted within the last five years (at the point of making the calculation), the LHN is capped at 40% above the average annual housing requirement figure set out in the existing policies. This also applies where the relevant strategic policies have been reviewed by the authority within the 5-year period and have been found not to require updating.
 - Option 2: where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the LHN is capped at 40% above whichever is the higher of:
 - a) the annual average projected household growth for the area over the 10-year period identified in Stage One above; or

¹⁰ Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹¹ Available at <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

¹² Paragraph: 004 Reference ID: 2a-004-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

b) The average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).

- The relevant document in this case is the East Midlands Regional Plan. Policy 13a from that document is brought forward in the Hinckley and Bosworth Core Strategy DPD. The target is 9,000 homes between 2006 and 2026. However, because both documents were adopted in 2009, the target is more than 5 years old and the second option above is therefore applied.
- For a) the average annual projected household growth is 371, as identified above.
- For b) the housing requirement figure in as noted above is 9,000 dwellings over a 20-year period, which equates to an annual average of 450 dwellings.
- Thus, the cap is applied to b) and not a). A cap of 40% above 450 is 630 dwellings.
- The cap of 630 is greater than the uncapped Stage two figure of 472 dwellings, and therefore does not limit the adjustment for affordability. The minimum LHN for Hinckley and Bosworth therefore remains 472 net additional dwellings per year.

59. Having derived Hinckley and Bosworth's LHN, we now calculate Market Bosworth's share of that target, by determining what proportion of Hinckley and Bosworth's population currently reside in Market Bosworth and applying that percentage to Hinckley and Bosworth's LHN.

60. According to the latest ONS mid-year population estimates, there were 2,241 people living in Market Bosworth, or almost exactly 2% of the 113,666 people in Hinckley and Bosworth. (Note that Census 2021 population figures are now available for Local Authority areas. Hinckley and Bosworth's population in the 2021 Census is 113,600 – very close to the 2020 estimate. For consistency with the data available for parishes, the 2020 estimate is used here.)

61. Applying this percentage to Hinckley and Bosworth's LHN of 472 gives a baseline indicative HNF for Market Bosworth of 9.4 dwellings per annum, or 179 dwellings (rounded) over the Neighbourhood Plan period 2020-2039.

LPA planning strategy (Step 2)

62. As stated in NPPF guidance, it is important to acknowledge the relevant policies in the most recently available¹³ development plan document for the LPA. The policies reflect the overall strategy for the pattern and scale of development and any relevant allocations. This requires producing a HNF for the Neighbourhood Area that takes into account the Local Authority's spatial strategy, and therefore may differ from the initial HNF calculated above.

63. In Hinckley and Bosworth, both the emerging Local Plan and the adopted Core Strategy are potentially relevant. The emerging Local Plan is at an advanced stage of development

¹³ This is the exact word used in the NPPF, i.e. not necessarily 'adopted'. In the case of Hinckley and Bosworth, the most recently 'available' planning strategy is the emerging Local Plan 2020-2039. While this is theoretically at an advanced stage of development, it is being reviewed for key issues that include housing and may change. That said, current indications from HBBC are that the settlement hierarchy is unlikely to change.

and would normally be considered the most recently available source. However, it is under review due to issues that touch directly on the quantity and distribution of development. This makes it a generally less reliable source and means the Core Strategy remains potentially highly relevant.

64. That said, the information that is sought here is not the housing targets or allocations provided in the Local Plans, but an up-to-date expression of HBBC's strategy for the pattern and scale of development across the Borough. The source of that information is the settlement hierarchy, devised on the basis of settlement suitability and sustainability before the issue of land availability is considered. On this point, the adopted Core Strategy and emerging Local Plan are relatively consistent.
65. The emerging Local Plan retains the spatial strategy presented in the Core Strategy, which classifies settlements in terms of their suitability and sustainability for future development. The classifications are as follows, in order of decreasing suitability for development:
 - Main Urban Area;
 - Key Rural Centres;
 - Rural Villages; and
 - Rural Hamlets.
66. Development is to be focused in and around the Hinckley sub-regional centre due to its concentration of services. In planning for development in rural areas, the emphasis is more about ensuring that such locations remain vibrant, mixed communities.
67. In this settlement hierarchy, Market Bosworth is classified as a Key Rural Centre. Key Rural Centres are intended to become (or maintain their status as) focal points for their surrounding rural communities.
68. Key Rural Centres are further sub-divided into those that are closely connected to Leicester, those located within the National Forest, and those that stand alone. Market Bosworth is classified as a Key Rural Centre that stands alone. The focus for this category of settlement is on consolidating and improving existing services, supporting rural population levels, and maintaining the sense of individual settlement identity.
69. One change from the Core Strategy in the emerging Local Plan is the inclusion of a longer list of settlements under the category of Rural Hamlets. This now includes Far Coton. However, as Rural Hamlets are not identified as locations for growth and development there is limited to that meeting specific local needs, the addition of Far Coton does not have a significant impact on the overall level of development that might be appropriate for the parish of Market Bosworth.
70. This information is all useful context insofar as it reveals HBBC's strategy for the pattern and scale of development across the Borough. However, the distribution of future development across the settlement hierarchy is not quantified in a way that is directly useable for this exercise. HBBC does not state what proportion of the Borough's new development should be focused in the Key Rural Centres, nor which of those Centres are intended to host more or less development than any of the others. Site allocations are

given for all settlements in the Site Allocations and Development Management DPD, which does in a sense quantify the distribution of development within the time horizon of the Local Plan, but these allocations may be informed as much by site availability as local need, and it is not impossible to disentangle those factors from the 'pure' spatial strategy intended by HBBC.

71. There is therefore no statistically robust way of adjusting the baseline HNF calculated above with reference to HBBC's spatial strategy to better reflect Market Bosworth's sustainability and role in the surrounding area. That said, the fact that population figures are a key consideration in HBBC's classification of Hinckley and Bosworth's settlements (particularly in the Core Strategy) means that the baseline approach to calculating the HNF taken above – a key input to which being the proportion of Hinckley and Bosworth's population living in the Market Bosworth NA – suggests that the spatial strategy is already reflected to some degree.
72. Finally, it is relevant to note that the emerging Local Plan includes two Sustainable Urban Extensions (at Barwell and Earl Shilton) that will deliver a significant proportion of Hinckley and Bosworth's needs. Their total dwelling capacity is 4,100, of which around 2,000 is expected to be delivered within the Local Plan period to 2039.
73. As a hypothetical exercise, these strategic sites can be netted off the Borough's housing need to arrive at a figure for Market Bosworth that reflects the fact that they will leave a lower residual need for existing settlements across Hinckley and Bosworth. Multiplying the Step 1 annual LHN for Hinckley and Bosworth by 19 results in a whole Plan (2020-2039) figure of 8,968. After deducting the 2,000 homes on the Sustainable Urban Extensions deliverable in the Period this would leave 6,968 homes in total or 367 per year. Market Bosworth's share of this residual figure would be 7.3 dwellings per annum, or 139 in total over the Plan period. In AECOM's view this approach should not inform the final indicative figure for the NA, but is included to help inform the Parish Council's thinking.
74. In conclusion, having reviewed the strategy for the pattern and scale of development across Hinckley and Bosworth, the baseline HNF for Market Bosworth of 9.4 dwellings per annum, or 179 in total over the Plan period 2020-2039, should not be adjusted.

Past dwelling completions (Step 3)

75. The next step is to subtract any net completions of new dwellings that have occurred since the beginning of the Neighbourhood Plan period, i.e. the period between 2020 and present, as well as considering commitments. Although this HNA is being written in November 2022, HBBC were only able to provide detail of completions and commitments accurate to the latest reporting period, which is March 2022. For any further completions since then, and indeed up to the publication of the Neighbourhood Plan, the approach below can be applied to more recent figures and the residual HNF updated.
76. According to Appendix 1 of the HBBC March 2022 Residential Land Availability Monitoring Statement, there have been 25 dwelling completions in Market Bosworth parish in the monitoring years 2020/21 and 2021/22. All were in Market Bosworth itself. There were 2 completions on small sites in 2020/21, 3 on small sites in 2021/22 and 20 on large sites

in 2021/22. The 20-unit site is Ambion Court. As of March 2022 there were a further 3 dwellings on that site under construction.

77. In addition, there are currently 77 dwelling commitments (i.e. planning permissions that are yet to be implemented). However, AECOM recommends that commitments should not yet be discounted from the overall quantity figure; it is only once they are completed that this can take place.
78. Therefore, after deducting the 25 completions a residual HNF of 154 dwellings can be calculated for the remainder of the Plan period to 2039, equating to 9 dwellings per year. Of these 154 dwellings, 77 are already committed, meaning that a further 77 dwellings are outstanding.

Final Housing Need Figure

79. Based on the evidence above, this HNA recommends an overall HNF of 179 dwellings for Market Bosworth, which equates to 9.4 dwellings per year between 2020 and 2039, or a residual HNF of 154 dwellings between 2022 and 2039 after completions to date have been deducted. There are, in addition, currently 77 dwelling commitments outstanding in the NA. If implemented, this will halve the residual HNF, leaving a further 77 homes to potentially be accommodated.
80. The housing figure for Hinckley and Bosworth is derived from the Government's standard method and is likely to change annually as ONS publishes new affordability data each year and new household projections approximately every two years. Furthermore, the overall housing target for the Borough will be informed by other factors in addition to the standard method, notably the distribution of Leicester's unmet needs. This could impact on the number of homes required in Hinckley and Bosworth and any indicative housing requirement figure provided by Hinckley and Bosworth for neighbourhood areas.
81. Hinckley and Bosworth's local housing need figure has been broken down with the aim of allocating an appropriate share to Market Bosworth with reference to the strategy for the pattern and scale of new development across the district as expressed in the latest local development plan, which takes into account the sustainability and suitability of the district's various settlements for growth. This was not possible to quantify based on the available information, and so a portion of Hinckley and Bosworth's need has been attributed to Market Bosworth based on population statistics alone.
82. Note for comparison that the potential minimum housing need for the ward of Cadeby, Carlton and Market Bosworth with Shackerstone provided in the 2019 Housing Needs Study for Hinckley and Bosworth was expressed as a range of between 14 and 18 dwellings per year depending on the demographic scenario used. Given that Market Bosworth, at 2,097 people, constituted 60% of the wider ward's total population of 3,492 (at the time of the 2011 Census), it can be considered reasonable to assume that Market Bosworth's share of the ward's potential housing need is also approximately 60%.
83. This would equate to 8-11 (rounded) dwellings per year, which aligns closely with the baseline HNF calculated here of 9 dwellings per year. The Housing Needs Study states that "caution should be used when interpreting these figures, and they should not be

considered as a target for any particular area". If a similar methodology is employed when HBBC provide Market Bosworth with a final housing target, it is likely to produce a similar HNF to that identified here.

84. At the time any final Neighbourhood Plan housing requirement figure is provided by Hinckley and Bosworth, it can be considered to supersede the provisional calculation within this study. Consequently, there is a need for the neighbourhood group to continue to engage with the LPA to confirm the final housing figure for the Neighbourhood Plan.
85. The purpose of this study is to help understand the scale and characteristics of housing need in Market Bosworth to 2039, irrespective of the constraints and issues of land supply that may have a greater impact on what can be built in future years. While those factors are beyond the scope of this work, they are relevant and are worth summarising briefly here.
86. It is the perception of the community and Parish Council that the current capacity of schools, doctors surgeries, other facilities and transport infrastructure may not be compatible with unlimited residential growth. In addition, traffic is a significant issue in the medieval town centre especially. Given the limited public transport services, mainstream housing development, as well as impacts arising from other forms of accommodation (such as the marina and holiday lodges), will clearly increase pressures on traffic and parking. It is not possible to quantify here what scale of growth would be appropriate or not, but these factors are very important locally and could justifiably feature in the approach taken to the Neighbourhood Plan and representations on the emerging Local Plan.

5. Affordability and Affordable Housing

Introduction

87. 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.
88. 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.
89. 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

90. 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 income and earnings of households.
 - The definition of **Affordable Housing** is set out in the NPPF 2021 (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.¹⁴

- **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.

Tenure

91. 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.
92. Table 5-1 presents data on tenure in Market Bosworth compared with Hinckley and Bosworth and England from the 2011 Census, which is the most recent available source of this information. It shows that home ownership is the dominant tenure in the NA, representing a similar share of the total as the Borough but a higher share than the national average. Of the remaining households, slightly more live in social than privately rented accommodation. Although the share of social renting is slightly higher than across Hinckley and Bosworth, it is lower than the average for England. The proportion of shared ownership in the NA is also below wider averages.
93. HBBC were unable to provide data on the proportion of the 48 new homes built since 2011 that were in Affordable Housing tenures. It is known, however, that 20 of the 48 recent completions were at Ambion Court, a specialist housing scheme for older people offered through social rent. This suggests that a good proportion of total recent housing delivery has been affordable, although the Ambion Court development replaced an existing scheme that was also socially rented.
94. The amount of Affordable Housing in the future development pipeline is also not precisely known. However, the largest permitted site, for 73-dwellings at Station Road, is proposed to include 22 homes for affordable rent and 7 for shared ownership, meaning that around 40% of the homes on that site will be in Affordable Housing tenures.
95. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Market Bosworth the private rented sector expanded by 156% in that period, a rate of growth that is in line with a strong uptick across the Borough and is much higher than the national rate of growth. This may reflect the worsening affordability of home ownership, examined below.

¹⁴ 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 5-1: Tenure (households) in Market Bosworth, 2011

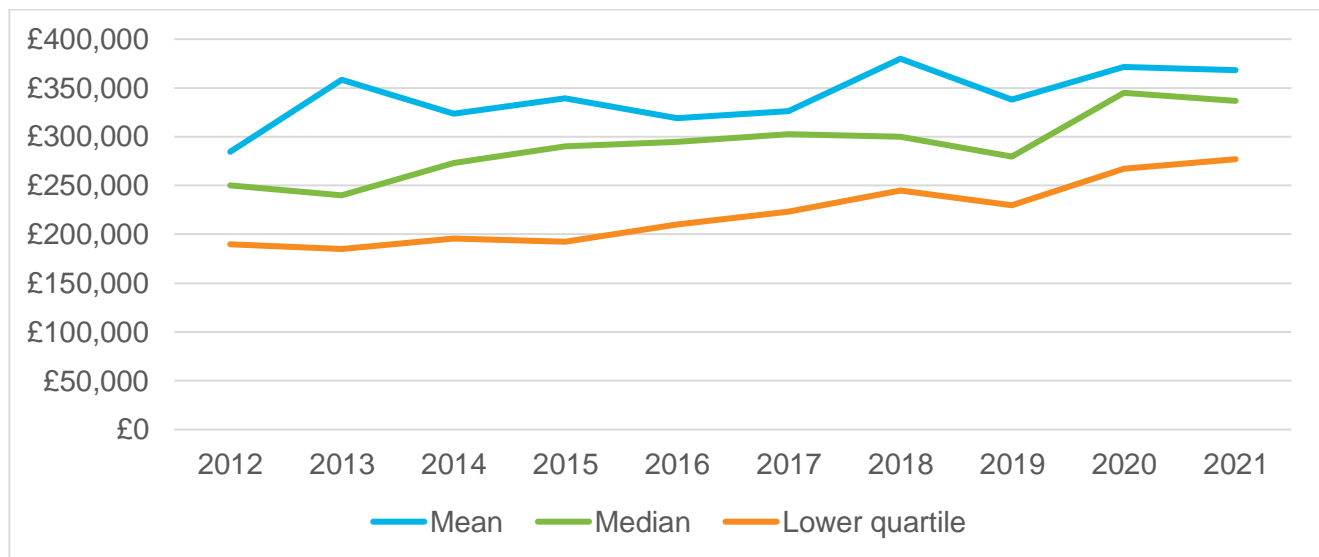
Tenure	Market Bosworth	Hinckley and Bosworth	England
Owned	75.5%	76.7%	63.3%
Shared ownership	0.4%	0.6%	0.8%
Social rented	11.9%	10.3%	17.7%
Private rented	10.8%	11.4%	16.8%

Sources: Census 2011, AECOM Calculations

Affordability

House prices

96. 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.
97. Figure 5-1 looks at the average and lower quartile (lowest 25% of) house prices in Market Bosworth based on sales price data published by the Land Registry. It shows that home values have followed a clear upward trajectory despite some year-on-year fluctuations.
98. The current median price (the middle number when the data is sorted from smallest to largest) sits at £336,500, which is 35% higher than the median in 2012. The current mean is £368,084, 29% higher than the figure for 2012. 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.
99. The current lower quartile price, the middle figure of the lowest 50% of sales and a good representation of entry-level housing, stands at £277,000, which is 46% higher than the 2012 figure. This suggests that entry-level homes are appreciating at a faster rate than the wider market, constraining the ability of first-time buyers to gain a foothold on the property ladder.
100. It is also worth noting that the current median house price in Market Bosworth is 43% higher than the current median for Hinckley and Bosworth as a whole, suggesting the NA is a particularly high-value market locally. That said, this difference also reflects the different mix of homes in the two areas, with the NA having higher proportions of larger and detached dwellings than the Borough as a whole (see Section 6 – Type and Size).

Figure 5-1: House prices by quartile in Market Bosworth, 2012-2021

Source: Land Registry PPD

101. Table 5-2 breaks down house prices by type, presenting the median within each type. It shows that there is a clear distinction between the values of detached housing and all other types: the former is consistently at least £100,000 more expensive than the other types, which tend to fall within £50,000 of one another. It also shows that price appreciation is not consistent across the various types, with lower growth in detached homes and higher growth in flats and semi-detached properties.
102. That said, this data should be approached with caution: the annual average by type is derived from a smaller sample size within each category that can mean that variation in the homes that happen to be sold in a given year (and their characteristics in terms of size, location and condition) can have a large impact on the average.

Table 5-2: Median house prices by type in Market Bosworth, 2012-2021

Type	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth
Detached	£305,000	£306,000	£345,000	£452,500	£352,000	£385,000	£370,000	£475,000	£375,000	£390,000	27.9%
Semi-detached	£172,500	£205,000	£203,000	£223,375	£199,720	£250,000	£250,000	£277,500	£274,000	£286,250	65.9%
Terraced	£210,000	£200,000	£213,000	£155,000	£237,500	£271,500	£250,000	£193,750	£217,500	£302,500	44.0%
Flats	£131,000	£100,000	£169,250	£180,000	£164,000	£154,750	£196,250	£235,000	£226,500	£245,000	87.0%
All Types	£250,000	£240,000	£273,000	£290,000	£295,000	£302,500	£300,000	£280,000	£345,000	£336,500	34.6%

Source: Land Registry PPD

Income

103. 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.
104. 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 £46,500 in 2018 (the most

recent year for this data). Discussion about the area to which this data applies is provided in Appendix A.

105. 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. Hinckley and Bosworth's gross individual lower quartile annual earnings were £18,729 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £37,458.
106. It is immediately clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

107. 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.
108. AECOM has determined thresholds for the income required in Market Bosworth 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.
109. 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.
110. Table 5-3 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 5-3: Affordability thresholds in Market Bosworth (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £46,500	Affordable on LQ earnings (single earner)? £18,729	Affordable on LQ earnings (2 earners)? £37,458
Market Housing						
Median House Price	£302,850	-	£86,529	No	No	No
Estimated NA New Build Entry-Level House Price	£286,424		£81,836	No	No	No
LQ/Entry-level House Price	£249,300	-	£71,229	No	No	No
LA New Build Median House Price	£242,996	-	£69,427	No	No	No
Average Market Rent	-	£10,956	£36,520	Yes	No	Yes
Entry-level Market Rent	-	£9,000	£30,000	Yes	No	Yes
Affordable Home Ownership						
First Homes (-30%)	£200,497	-	£57,285	No	No	No
First Homes (-40%)	£171,855	-	£49,101	No	No	No
First Homes (-50%)	£143,212	-	£40,918	Yes	No	No
Shared Ownership (50%)	£143,212	£3,978	£54,178	No	No	No
Shared Ownership (25%)	£71,606	£5,967	£40,349	Yes	No	No
Shared Ownership (10%)	£28,642	£7,161	£32,052	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£5,302	£17,657	Yes	Yes	Yes
Social Rent	-	£4,862	£16,190	Yes	Yes	Yes

Source: AECOM Calculations

111. 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

112. 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. The median house price would require an annual income nearly double the current average.

113. Private renting is generally more affordable, being accessible to dual lower earning households as well as average earning households. Households made up of a single lower earner, however, cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be

assumed to suit all individuals' circumstances. A greater challenge may be the availability of private rented accommodation, which is only around 10% of all homes in the NA.

Affordable home ownership

114. There is a relatively large group of households in Market Bosworth who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £30,000 per year (at which point entry-level rents become affordable) and £70,000 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
115. 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.
116. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. Given that only 50% discounted properties would be within reach of average earning households, this maximum discount level is most suitable from an affordability perspective since it would extend home ownership to a wider group of households who are currently unable to buy.
117. 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 land values and build costs that is outside the scope of this assessment. If the Parish Council intend to set a higher First Homes discount level than that set at Borough level, further discussions with HBBC are advised.
118. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.¹⁵ If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
119. 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

¹⁵ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hws48>.

set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership slightly but is not a given. 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.

120. 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

121. 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 Market Bosworth. Affordable rented housing is generally affordable to households even with a single lower earner, but social rents improve affordability further still.

122. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Market Bosworth as the only option for a large segment of those in the greatest need (notably single lower earning households). 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

AECOM Estimates

123. AECOM estimates that there will be a long-term surplus of affordable rented housing in Market Bosworth rather than an unmet need. This amounts to an annual surplus of 1.3 affordable rented homes or 20 over the Neighbourhood Plan period as a whole. The estimate and assumptions used are detailed in Appendix D and summarised in Table 5-4. This need is largely for social/affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.
124. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 21 households – see subsequent section). The reason for the affordable rented housing need being met over the long-term is that the 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 and historic turnover rates provided by HBBC, this turnover 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.
125. 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 living elsewhere in the wider area.
126. 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.
127. As such, it may be appropriate for Market Bosworth 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 borough. The NA's wider strategic role in the delivery of Affordable Housing should be discussed with HBBC.

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

Component of need or supply in the AECOM estimate	Per annum
Current need	1.3
Newly arising need	1.7
Supply	4.3
Net surplus	1.3

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

128. AECOM estimate the need for 5.6 affordable home ownership dwellings per annum in Market Bosworth, equating to a total of 89 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 5-5 below.
129. 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 5-5: Estimate of need for Affordable Housing for rent in Market Bosworth

Component of need or supply in the AECOM estimate	Per annum
Current need	4.9
Newly arising need	1.1
Supply	0.4
Net shortfall	5.6

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

Evidence in the HENA

130. A Housing and Economic Needs Assessment (HENA) was undertaken for Leicester and the Leicestershire authorities in 2022. This study estimates the need for affordable housing in Hinckley and Bosworth 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.
131. The HENA identifies the need for 321 affordable rented homes and 177 affordable home ownership dwellings each year in Hinckley and Bosworth as a whole.
132. When the HENA figures are pro-rated to Market Bosworth based on its fair share of the population (2% of the Borough's population according to ONS estimates), this equates to 6.4 affordable rented homes per annum or 122 over the Neighbourhood Plan period, and 3.5 affordable home ownership dwellings per annum or 67 over the Plan period.
133. This helps to clarify that even if the need for affordable rented housing arising from Market Bosworth itself may be capable of being addressed within the existing stock, there may be an expectation that the NA continue to meet the needs of the wider area.
134. It is not very accurate to pro-rata Borough level estimates of affordable housing need to more rural areas because 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 more rural parishes like Market Bosworth there may be less need generated from households already living in the sector, and more of it can be met through turnover of the relatively large existing stock. However, it is important to consider the scale of potential need arising from the Borough as a whole that may be attributable to the NA.

Additional evidence of Affordable Housing needs

135. HBBC provided data from the Housing Register for applicants claiming a local connection to Market Bosworth. This is used as a key input to the first calculation discussed above. It is also worth summarising some of the detail here.
136. First, it is worth saying that applicants claiming a local connection to Market Bosworth may not be successful in establishing that connection and may not be resident in the NA at present. This was the figure used because that is what the HBBC Housing Register captures, but it may overstate the current backlog of need.
137. Of the 21 applicant households on the Register, 9 were eligible for a 1 bedroom property, 11 for a 2 bedroom property and 1 for a 3 bedroom property, signalling that those in need are typically households entitled to smaller dwellings.
138. The 21 households can also be disaggregated by the urgency of their need according to HBBC's priority banding system. 2 were in the 'critical' priority band, 1 in the 'priority' band, 0 in the 'high' band, 5 in the 'medium' band, and 13 in the 'low' band. This suggests that there is not a significant backlog of households with urgent needs locally. This may be a factor in the tendency observed by the Parish Council that priority tends to be accorded to households from elsewhere with more acute needs rather than parish residents.
139. HBBC also provided data on recent lettings of affordable rented housing in the NA. Since January 2020 there were 40 lettings: 10 of bungalows, 29 of flats and 1 house. However, 3 of the bungalows and 24 of the flats are first lets of newly built accommodation (presumably Ambion Court), and should not be counted as turnover, which the AECOM model assumes will persist in future years. Instead they should be considered a one-off tranche of lets, even if some of the new occupants also occupied the scheme that Ambion Court replaced when demolished some years in the past.
140. Finally, it is worth noting that the 2020 Household Survey for the parish identified 9 households in need of Affordable Housing who were not captured on HBBC's Housing Register at that time. It is not known if they are now represented on the more recent Housing Register figures drawn on here, but the number of applicants claiming a local connection has remained stable, from 19 in 2020 to 21 in 2022. There may be an invisible additional component of need, not arising in HBBC figures, that should be considered. The Survey found that 5 of the 9 households identified needed affordable rented homes and 4 affordable home ownership options.

Affordable Housing policies in Neighbourhood Plans

Application of Local Plan policies

141. Hinckley and Bosworth's adopted and emerging policy on this subject seeks 40% of all new homes to be Affordable Housing in the rural area that includes Market Bosworth. The site size threshold at which this requirement applies is raised from 4 dwellings in the adopted Core Strategy to 10 in the emerging Local Plan. Given the lack of data it is not possible to confirm whether this target is usually met on sites in the NA.
142. 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 Market Bosworth (albeit primarily for ownership rather than rent), and every effort should be made to maximise delivery where viable. If a neighbourhood planning group does wish to influence the proportion of housing that must be affordable via policy in their NP, then they should discuss with the LPA (to discuss viability evidence requirements and to establish if the LPA support this).
143. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is set out in the adopted Core Strategy as 75% social rent and 25% routes to ownership. This is changed in the emerging Local Plan to 56% affordable rent, 25% First Homes and 19% other routes to ownership.

Affordable Housing at Neighbourhood level

144. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Market Bosworth on the basis of identified housing need and a range of other considerations detailed in Appendix D.
145. The key factors here can be summarised as follows:
 - AECOM's estimates suggest a robust potential demand for affordable home ownership in Market Bosworth and limited need for further affordable rented homes because churn in the current stock appears able to satisfy newly arising need. This points toward a strong emphasis on ownership options;
 - There is nevertheless a large identified need for affordable rented housing (in addition to ownership options) across Hinckley and Bosworth as a whole, to which the NA might reasonably be expected to contribute, as well as a segment of the NA population considered in need by the Survey but not represented in HBBC figures.
 - If housing delivery over the Plan period is in line with the overall residual housing need figure calculated in the Quantity chapter of this assessment, up to around 62 affordable homes could be built. This is a proportionally large increase in provision, but not high enough to meet in full the potential

demand for affordable home ownership here, nor Market Bosworth's possible share of the wider Borough's needs. When supply is limited, there is cause to consider what should be prioritised, and it is often prudent to ensure the most acute needs (for affordable rented housing) are protected as a priority.

- The affordability analysis earlier in this chapter established that affordable rented housing is the only option for single lower earners and that, while still expensive in some forms, affordable home ownership products would meaningfully widen access to home ownership to local people. This suggests both should feature in the tenure mix.
146. On balance, AECOM suggests that there is an opportunity here to boost levels of affordable home ownership to meet high levels of potential demand in a context where home ownership through the open market is very unaffordable. The trade-off is that this would lower delivery of affordable rented housing, which serves those in the greatest need. In this case, AECOM estimates that the existing stock of affordable rented housing may be sufficient for the community's evolving needs. However, it may be prudent to future-proof the stock through some additional supply in case this situation changes and to contribute to the unmet needs of the wider area.
147. As such, both affordable rent and affordable home ownership should feature in the Affordable Housing tenure mix. The question is whether the default position set out in the emerging Local Plan, which favours affordable rent over ownership at a ratio of 56% to 44%, is already sufficiently balanced or could be adjusted for Market Bosworth to take its particular circumstances into account. 56% to 44% gives more weight to affordable home ownership than in typical in Local Plans, and already represents a large shift in its favour compared with the adopted Core Strategy mix of 75% rent to 25% ownership. It is therefore not considered unsuitable for Market Bosworth to adhere to the Local Plan default mix.
148. However, AECOM's interpretation of the evidence suggests that it could be modestly tweaked further in favour of affordable home ownership if this aligns with the community's wider objectives. Table 5-6 sets out one proposed option, and breaks down the headline split between rented and ownership tenures with reference to the affordability analysis earlier in the chapter. This suggested that First Homes at a higher discount level is beneficial, shared ownership is also potentially valuable at lower equity shares, and that rent to buy might be particularly useful if offered at suitable rental levels and if this less common tenure is feasible locally.
149. Where the Parish Council wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with HBBC to understand if any more detailed viability information if needed, and to ensure that departures from the local policy context have HBBC's support.

Table 5-6: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	65%	
First Homes	30%	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	15%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	35%	
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.
Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.

Source: AECOM calculations

Conclusions- Tenure and Affordability

Current tenure profile

150. Home ownership is the dominant tenure in Market Bosworth, representing a similar share of the total (76%) as the Borough but a higher share than the national average. Of the remaining households, slightly more live in social than privately rented accommodation. The rate of social renting is slightly above the Borough average. The number of privately rented homes expanded by 156% between 2001 and 2011 but remains relatively low, with few homes available for rent at the time of search in October 2022.

Housing costs

151. Home values in the NA have followed a clear upward trajectory despite some year-on-year fluctuations. The current median house price (middle number when arranged from lowest to highest) is £336,500, which is 35% higher than the 2012 average. The lower quartile price (the lowest 25% of prices, used as a good proxy for entry-level housing) stands at £277,000, which is 46% higher than its level in 2012. This suggests that entry-level homes are appreciating at a faster rate than

the wider market, constraining the ability of first-time buyers to gain a foothold on the property ladder.

152. It is also worth noting that the current median house price in Market Bosworth is 43% higher than the current median for Hinckley and Bosworth as a whole, suggesting the NA is a particularly high-value market locally. That said, this difference also reflects the different mix of homes in the two areas, with the NA having higher proportions of larger and detached dwellings than the Borough as a whole (see Type and Size chapter).
153. AECOM has estimated the annual income required to afford various tenures of housing in Market Bosworth – each of which is explained in detail in Appendix C. These thresholds are compared to incomes to determine which options are the most appropriate for local people going forward. The average household income in the NA area was £46,500 in 2018, and the lower quartile income (per person) for Hinckley and Bosworth was £18,729 in 2020.
154. It was found that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. The median house price would require an annual income nearly double the current average. Private renting is generally more affordable, being accessible to dual lower earning households as well as average earning households. Households made up of a single lower earner, however, cannot afford the given rental thresholds.
155. Subsidised routes to home ownership like First Homes and shared ownership are intended to target people who can afford to rent but not to buy. In Market Bosworth there is a relatively large gap between the income needed to afford to rent (£30,000) and to buy (£70,000), who may benefit from these products.
156. The discount on First Homes can be set at 30%, 40% or 50% in Neighbourhood Plans. Given that only 50% discounted properties would be within reach of average earning households, this maximum discount level is most suitable here from an affordability perspective. The Parish Council is advised to discuss this possibility with HBBC, who may be able to supply evidence of development viability that is also relevant to this policy option.
157. Affordable rented housing appears generally affordable to households with two lower earners (average earning households are unlikely to be eligible). Single lower earners can afford average social rents and affordable rents but the lowest earners, if unable to secure a social rented dwelling or additional subsidy, may need to live in a room in a shared house using housing benefits.

The need for Affordable Housing

158. AECOM estimate that there will be a long-term surplus of affordable rented housing in Market Bosworth rather than an unmet need. This amounts to an annual surplus of 1.3 affordable rented homes or 20 over the Neighbourhood Plan period as a whole.
159. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 21 households). The reason for the affordable

rented housing need being met over the long-term is the size of the existing stock of social housing and the historic turnover rates provided by HBBC, which suggests that vacancies will be able to satisfy the projected newly arising need as well as some of the backlog.

160. 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 living elsewhere in the wider area. The HENA identifies a substantial need for 321 affordable rented homes per year across Hinckley and Bosworth. Hypothetically, if Market Bosworth were to meet 2% of the Borough's need (2% is the share of the Borough population living in the NA) this would imply 122 such homes over the Neighbourhood Plan period. This is not necessarily an obligation on Market Bosworth, but the degree to which it might meet the wider need is a point for discussion with HBBC.
161. AECOM estimate the need for 5.6 affordable home ownership dwellings per annum in Market Bosworth, equating to a total of 89 over the Neighbourhood Plan period. The households eligible for such homes 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

Affordable Housing policy

162. Affordable Housing is typically provided and made financially viable by Borough-wide planning policies that require it to be included at a set proportion of market housing developments. Hinckley and Bosworth's adopted and emerging policies on this subject require 40% of all new housing be affordable. This is a policy area within the remit of the Local Planning Authority, but it is worth considering what the most appropriate mix of Affordable Housing products might be in the NA specifically.
163. AECOM recommends that the tenure mix of Affordable Housing secured in future years gives slightly higher priority to affordable home ownership options (65%) than the emerging Local Plan default (44%), with the remainder protecting affordable rented provision. The reasons for this are the already high rate of social renting in the NA, the higher potential demand for ownership options in the AECOM estimates, and the value provided by all forms of Affordable Housing tested in the affordability assessment earlier in this chapter.
164. There is no obligation to follow this recommendation or to depart from the emerging Local Plan default mix if that is more in line with the community's objectives. Further discussion with HBBC about the options and their advice would be beneficial, and could cover issues beyond the scope of this report, such as development viability.
165. Table 5-7 summarises Market Bosworth'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 residual housing need 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 5-7: Estimated delivery of Affordable Housing in Market Bosworth

	Step in Estimation	Expected delivery
A	Residual housing need figure	154
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	62
D	Rented % (e.g. social/ affordable rented)	35%
E	Rented number (C x D)	22
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	65%
G	Affordable home ownership number (C x F)	40

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

6. Housing Mix: Type and Size

Introduction

166. 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.
167. 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.
168. 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.
169. 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.
170. 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

171. This section establishes the current housing mix of Market Bosworth, highlighting recent changes to it and comparing the mix to wider averages.
172. HBBC were not able to provide data breaking down the new homes built since 2011 by type, size and tenure. The data provided about recent completions was the Residential Development Land Monitoring Statement for March 2022, which gives total completions per year but no further detail.
173. An additional data source for the housing mix in a given area is the Valuation Office Agency (VOA). This has been interrogated for Market Bosworth. However, VOA data is only given down to the level of LSOAs (see Appendix A for more detail), and Market Bosworth parish straddles two LSOAs that extend to cover a number of nearby settlements. Market Bosworth represents around 60% of the dwellings within this area, and as such this source cannot be used to accurately update the housing mix in the NA specifically.
174. Therefore it has been necessary to fall back on the 2011 Census as the most recent and accurate available information on the NA’s dwelling mix. Because the number of homes in Market Bosworth has only expanded by around 5% since the 2011 Census, the new homes built since will not have significantly altered the proportional split between different types and sizes. That said, when 2021 Census data is released for parishes, it will be useful to check what changes have taken place and, if relevant, incorporate that newer snapshot in the Neighbourhood Plan.

Dwelling type

175. Table 6-1 below shows the breakdown in the type of housing in Market Bosworth in 2011 compared to the Borough and national average (from the same data source for consistency). It shows that Market Bosworth has a relatively high share of detached housing, more than double the national average, and correspondingly lower shares of other types. Compared with Hinckley and Bosworth, the NA has lower proportions of semi-detached and terraced housing, while compared to England as a whole the most striking

contrast is the NA's lack of flats (although it has a higher share than the Borough).

176. In summary, Market Bosworth is broadly skewed toward the types of housing that tend to be more expensive and less dense (i.e. sitting on larger plots and more spread out). This is likely to be a factor in the challenging affordability picture established in the previous chapter.

177. While the VOA data mentioned above is not helpful in bringing the full mix up to date, that source helpfully splits bungalows out from the other categories. In the wider area that includes the NA, 13.7% of homes are bungalows. That is exactly the same share as across the Borough and moderately higher than the national average of 9.2%. This suggests that there is a segment of the housing stock that may hold appeal to older households and others with mobility limitations.

178. Finally it is important to note that Market Bosworth hosts a 150-berth marina on the canal and a holiday lodge park is currently in development for 103 units. These forms of accommodation are not likely to be occupied full-time and do not appear in these statistics. Nevertheless they do have an impact on the makeup of the population and the capacity of the NA's service infrastructure.

Table 6-1: Accommodation type, various geographies, 2021

Dwelling type	Market Bosworth	Hinckley and Bosworth	England
Detached	47.8%	37.1%	22.4%
Semi-detached	28.6%	38.1%	31.2%
Terrace	13.3%	16.0%	24.5%
Flat	10.5%	8.5%	21.2%

Source: ONS 2011, AECOM Calculations

Dwelling size

179. As above for dwelling type, Table 6-2 below presents the current housing size mix in terms of bedroom numbers. It reveals the NA's generally large stock of housing. In particular, the share of homes with 4 or more bedrooms is more than one third in Market Bosworth, compared with around a fifth at Borough and national scale. Accordingly, the NA has a lower proportion of mid-sized homes with 2-3 bedrooms. The proportion of 1 bedroom homes is slightly higher in the NA than Hinckley and Bosworth but far lower than England.

Table 6-2: Dwelling size (bedrooms), various geographies, 2021

Number of bedrooms	Market Bosworth	Hinckley and Bosworth	England
0	0.2%	0.1%	0.2%
1	6.1%	5.8%	11.8%
2	22.9%	26.7%	27.9%
3	36.1%	45.5%	41.2%
4	24.1%	17.4%	14.4%
5+	10.5%	4.4%	4.6%

Source: ONS 2011, AECOM Calculations

Population characteristics

180. 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 structure

181. Table 6-3 shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. It suggests that key segments are growing rapidly while others are contracting slightly. The most significant growth in terms of actual numbers and proportionate growth is the 65-84 category – suggesting that the population is ageing and that over the lifetime of the Plan many of these individuals will reach the 75+ and 85+ age groups where changes to living arrangements are sometimes needed. That said, the 85+ group itself has not expanded in the same time frame.

182. The other notable change is the robust growth in the number of children, which will also flow through to larger numbers of young adults in subsequent years (another group who may need different housing options to those presently available). It is perhaps surprising that the number of children can grow by 16% while the number of people of child rearing age contracts. However, the actual number of children is quite low, with the large percentage change equating to 52 individuals. There are comfortably upwards of 1,000 people of child rearing age. The fact that the number of children is rising may indicate that young families continue to (or increasingly) view Market Bosworth as a suitable location to start a family, or to move to with a family.

183. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.

Table 6-3: Age structure of Market Bosworth, 2011 and 2020

Age group	2011 (Census)		2020 (ONS, estimated)		Change
0-15	310	17.7%	362	16.2%	+16.8%
16-24	149	9.6%	139	6.2%	-6.7%
25-44	388	25.3%	363	16.2%	-6.4%
45-64	664	29.0%	619	27.6%	-6.8%
65-84	477	16.1%	651	29.0%	+36.5%
85 and over	109	2.3%	107	4.8%	-1.8%
Total	2,097		2,241		

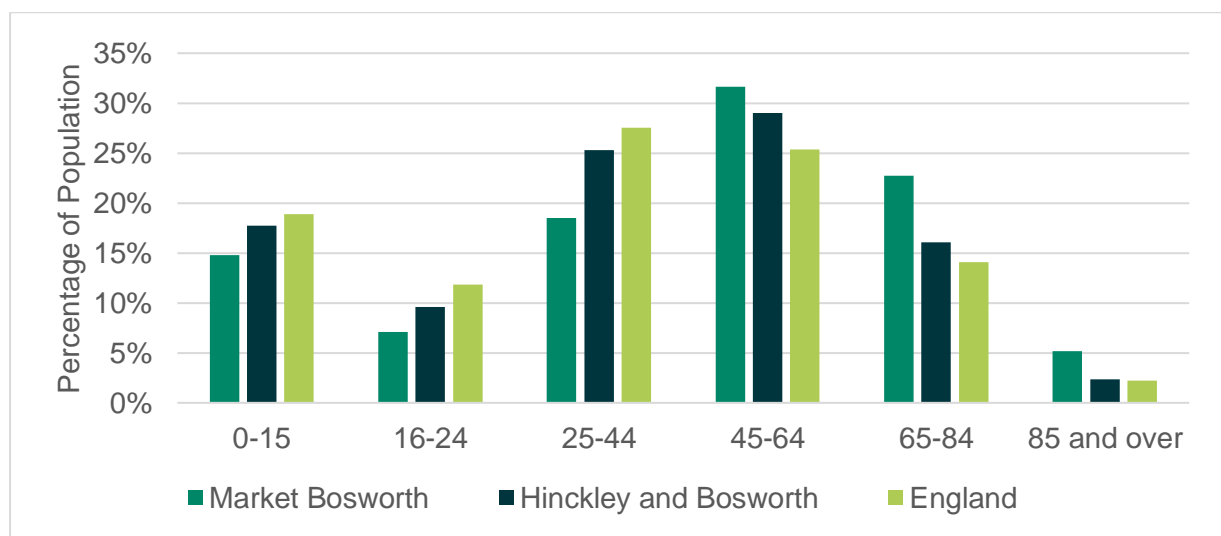
Source: ONS 2011, ONS mid-2020 population estimates, AECOM Calculations

184. 2021 Census data about population numbers and age has been released for Local Authorities. In Hinckley and Bosworth there was a notable 31% increase in the population aged 65 and above that mirrors the estimate for Market Bosworth, although the Borough data includes a larger jump in the oldest age groups. There was also a 7% increase in the number of people and stagnation

in some middle-aged groups. This appears to validate the parish-level estimates presented above, and suggests that ageing is happening consistently at parish and borough scale, yet the number of children is still increasing.

185. For context, it is also useful to look at the parish population structure alongside that of the Borough and country. Figure 6-1 (using 2011 Census data for consistency) shows that even prior to the ageing noted above, Market Bosworth had an older population than both wider geographies, with a higher share of the population in the older age brackets and lower proportion in the younger ones. If similar ageing trends have occurred at the parish and Borough scale, this suggests that Market Bosworth's higher starting figures will continue to result in a relatively older population.

Figure 6-1: Age structure in Market Bosworth, 2011



Source: ONS 2011, AECOM Calculations

Household composition and occupancy

186. 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 6-4 shows that the balance of single person to family households is similar at all three scales. Market Bosworth does, however, differ from the wider trend in the large proportion of households aged over 65, which echoes the findings discussed above.

187. A smaller proportion of households in the NA have dependent children than the wider averages, but the ratio of households with dependent children to households without is broadly consistent with wider patterns. However, Market Bosworth has lower proportions of households with non-dependent (i.e. adult) children and multi-family households than Hinckley and Bosworth and England.

188. This dataset is currently the only one released from the 2021 Census. Comparing the figures to 2011 shows that Market Bosworth has experienced a 26% increase in the number of households with dependent children while the share of households with no children has decreased. This validates the population estimates discussed above and suggests that families are choosing

to stay in or move to the NA. A similar percentage increase (25%) but from a much lower starting figure was seen for other (multi-family) households, which could indicate affordability issues or cultural factors (eg multi generational households). Most other categories have remained roughly consistent with the 2011 picture.

Table 6-4: Household composition, Market Bosworth, 2021

Household composition		Market Bosworth	Hinckley and Bosworth	England
One person household	Total	29.5%	28.3%	30.2%
	Aged 65 and over	18.5%	13.3%	12.9%
	Other	11.0%	14.9%	17.3%
One family only	Total	67.4%	67.7%	63.0%
	All aged 65 and over	20.4%	12.4%	9.2%
	With no children	16.6%	19.9%	16.7%
	With dependent children	22.6%	25.0%	25.7%
	With non-dependent children ¹⁶	7.0%	9.3%	9.8%
Other household types	Total	3.3%	4.4%	7.6%

Source: ONS 2021, AECOM Calculations

189. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A household 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.

190. In Market Bosworth it appears that more than 80% of households live in properties with more living space than they might be expected to need. This is most common among older households and those without children, while over-occupancy is most common in families with children. While not uncommon, this evidence might suggest that the NA's larger housing is not necessarily being occupied by households with the most family members, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties.

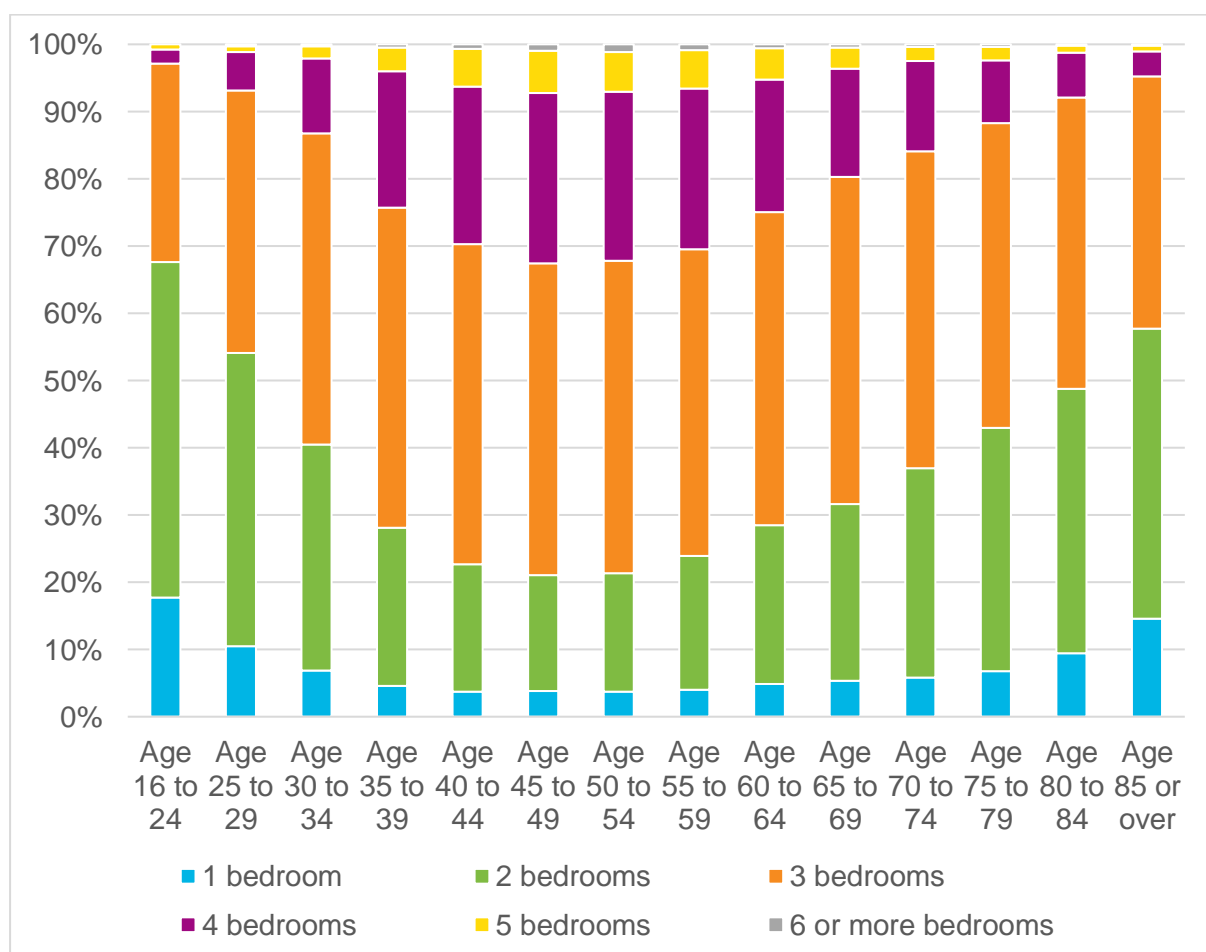
¹⁶ Refers to households containing children who are older than 18 e.g students or young working people living at home.

Table 6-5: Occupancy rating by age in Market Bosworth, 2011

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	73.5%	23.5%	2.9%	0.0%
Single person 65+	43.5%	30.6%	25.9%	0.0%
Family under 65 - no children	78.2%	20.4%	1.5%	0.0%
Family under 65 - dependent children	40.7%	33.2%	22.6%	3.5%
Family under 65 - adult children	35.3%	38.8%	24.7%	1.2%
Single person under 65	52.9%	38.8%	8.3%	0.0%
All households	54.7%	29.5%	14.6%	1.2%

Source: ONS 2011, AECOM Calculations

191. 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 6-2 sets out this relationship for Hinckley and Bosworth 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 6-2: Age of household reference person by dwelling size in Hinckley and Bosworth, 2011

Source: ONS 2011, AECOM Calculations

Future population and size needs

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

Age

193. The result of applying Local Authority level household projections to the age profile of Market Bosworth households in 2011 is shown in Table 6-6. This makes clear that population growth can be expected to be driven by the oldest households, with the 65 and over age group nearly doubling to become by far the largest single age group at 49% of the total, while all other age groups continue to grow but at more modest rates.

Table 6-6: Projected age of households, Market Bosworth, 2011 - 2039

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	10	56	276	228	354
2039	12	72	326	256	638
% change 2011-2039	21.3%	27.8%	18.2%	12.4%	80.3%

Source: AECOM Calculations

194. 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 6-2) onto the projected age profile for the NA in Table 6-6 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.

195. 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.

196. The result of this exercise is presented in Table 6-7. It suggests that new development should be focused on smaller and mid-sized homes, with few larger properties likely to be needed. In essence, the goal is diversification away from the high proportion of 4+ bedroom homes in the current stock. Demographic trends point toward more older people, who may want to downsize, and the continued growth of children and younger people, who may require smaller and more affordable options when they leave the family home. Both groups may be well-served by new homes with 2-3 bedrooms.

Table 6-7: Suggested dwelling size mix to 2039, Market Bosworth

Number of bedrooms	Current mix (2011)	Suggested mix (2039)	Balance of new housing to reach suggested mix
1	6.1%	6.3%	5.9%
2	22.9%	28.2%	35.2%
3	36.1%	45.6%	58.9%
4	24.1%	16.0%	0.0%
5+	10.5%	4.0%	0.0%

Source: AECOM Calculations

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

- The 2020 household survey for Market Bosworth was broadly aligned with the recommended mix above. It found that of those respondents identified as having a housing need, all but one were seeking a home with 3 bedrooms or fewer (23 respondents). When the wider population (not necessarily in housing need) were asked what size home should be built, 84 respondents selected 1-2 bedroom homes for single people and 103 selected 2-3 bedroom family homes. In contrast, only 27 respondents selected 4+ bedroom family homes. While this confirms that smaller and mid-sized properties should be the focus of new delivery, it does suggest that some demand may remain for larger homes.
- The size mix proposed for the borough in the 2022 HENA is less imbalanced than the HNA mix for Market Bosworth, in that larger homes continue to form a modest proportion of the mix. The HENA recommendation is not directly comparable to the HNA because three size mixes for different tenures are provided rather than a single overarching mix (see the Tenure section below). However, one commonality is that 2-3 bedroom homes dominate: they form 65-85% of the HENA mixes and 95% of the HNA mix.
- The findings of the HENA and survey may justify rebalancing the HNA recommendation if this is in line with the objectives of the community, for example allowing the continued provision of a modest proportion of larger homes, and possibly increasing the proportion of 1 bedroom homes to accommodate those in need of affordable rent. One potential approach would be to combine the size categories and allow for greater flexibility between them, for example by requiring 40% of new homes to have 1-2 bedrooms, 50% to have 3 bedrooms, and 10% left flexible including larger homes.
- The preceding chapter found that affordability is a serious and worsening challenge in the parish. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.

- Continuing to provide smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether many 1 bedroom homes are suitable given the area's character and current density.
- 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.
- A particularly important point here, where 3 bedroom homes may be sought at very high proportions, is that 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 needed may be similar, purchasing power and other preferences may differ. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if the existing stock of larger homes is sufficiently affordable.

Tenure

198. 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.
199. 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 allocation policies limit households to the minimum property size required to meet their basic needs. 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.
200. There are three key sources of information for thinking through the size needs of different categories. These are:
- The relevant SHMA or LHNA for the Local Authority, which will (usually) set out the projected need by size within each tenure over the long-term. In this case, the HENA indicates that 60% of market housing in Hinckley and Bosworth should have 3 or more bedrooms, compared with 40% in affordable home ownership tenures and just 25% in affordable rented tenures.
 - 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, of the 21

households with a local connection to Market Bosworth on the Housing Register, 9 were eligible for a 1 bedroom home, 11 for a 2 bedroom home, 1 for a 3 bedroom home, and none for larger property sizes. This weighting toward smaller sizes is more extreme than that suggested in the HENA for Hinckley and Bosworth as a whole.

- Any relevant household survey or consultation work in the NA can also highlight any specific gaps in the market within particular segments of the population. Here, as observed above, all of those identified as in need of Affordable Housing were looking for a home with 3 or fewer bedrooms: 2 respondents for 1-2 bedrooms, 4 for 2 bedrooms and 3 for 3 bedrooms.

201. 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

202. 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.
203. 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.
204. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Market Bosworth, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability can often be perceived to be in conflict with matters of character. In general, in rural areas, existing residents may favour lower density options that blend in with the existing built environment. A large block of flats may not be a welcome proposition for some residents because of the perceived change in the character of the area. That said, it may be possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue. Such issues of density and design

are out of the scope of a HNA but this discussion is included to illustrate how these considerations interrelate with affordability and needs.

205. 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 Parish Council and community to consider.

Conclusions- Type and Size

The current housing mix

206. The current dwelling mix in Market Bosworth is weighted in favour of less dense home types, notably detached houses. The proportion of bungalows, at 14%, is the same as Hinckley and Bosworth and higher than the national average. The housing stock is fairly large in terms of the number of bedrooms properties have: a third of homes have 4 or more bedrooms compared to a fifth at Borough and national scales. In summary, Market Bosworth is characterised by large homes and types that tend to be more expensive. This may be a factor in the NA's challenging affordability picture.

Population characteristics

207. The NA population, which was consistently older than that of the Borough and England in 2011, is estimated to have aged since then, with particular growth in the 65-84 age group. However, there has also been robust growth in the number of children, indicating that people view Market Bosworth as a suitable location for starting a family. This suggests that over the lifetime of the Plan many additional people will fall into older age brackets and a number of young adults may become ready to form their own households. Both groups may require a change of accommodation and could be key market segments for new development.
208. Applying ONS household projections for Hinckley and Bosworth to the Market Bosworth population in 2011 suggests that population growth can be expected to be driven by the oldest households, with the 65+ age group nearly doubling to become the largest single group (at 49% of the total) while all other age bands grow at more modest rates.
209. In the 2021 Census Market Bosworth has a similar balance of single person to family households as is apparent at Borough and national scale. However, the NA diverges from wider averages in its larger proportion of households aged over 65 and smaller proportion of households with dependent children. While the latter group remains relatively small, it expanded by 26% since 2011. Note that the Census dataset relating to household composition is so far the only one relevant to housing that has been released for small areas.
210. As of the 2011 Census, more than 80% of households in the NA had at least one more bedroom than they would be expected to need, and 55% had at least

two extra bedrooms. This is not surprising given the relatively large housing stock. Under-occupancy was most common among couples with no children, older households and single people. While not uncommon, this might suggest that Market Bosworth's larger housing is not necessarily being occupied by households with the most family members, but by the people with the most wealth or by older people who have not chosen or been able to move to smaller properties.

Future population and size needs

211. It is possible to estimate the size mix of future homes that might best accommodate demographic trends and address imbalances in the existing housing stock. The result of this process suggests that new development should be focused on smaller and mid-sized homes, with few larger properties likely to be needed. This could help to achieve three key outcomes: improving affordability, meeting the needs suggested by demographic trends (notably the ageing of older people and growth to adulthood of the recent increase in children) and diversification away from the high proportion of 4+ bedroom homes in the current stock.
212. This recommendation is broadly corroborated by the findings of the 2020 household survey and is not significantly out of line of the evidence for Hinckley and Bosworth presented in the 2022 HENA. However, those sources of evidence would justify retaining a modest proportion of larger homes in the development pipeline to preserve choice in the market.
213. 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.

7. Specialist housing for older people

Introduction

214. It is relatively common for neighbourhood plans in areas with ageing populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Market Bosworth. 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**.

215. 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.

216. 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

217. 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.

218. 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

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

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

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered 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

219. There is a total of 24 units of specialist accommodation in the NA at present. All of these are in the Ambion Court development that is very nearly complete and part but not fully occupied as yet. All of the accommodation is to be offered for social rent for those in the greatest financial need, and the scheme is age-restricted rather than offering additional onsite care. There are, in addition, two care homes in Market Bosworth with a total of 66 rooms (accommodating up to 77 residents). Details are provided in Appendix E.

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

220. In summary, there is some provision for those with financial means and high care needs (provided by the care homes), and for those with limited means and limited needs (provided by Ambion Court). However, there are potential gaps in the market for independent accommodation for purchase on the private market (at low and high levels of care), and for extra care accommodation for those in financial need.
221. ONS 2020 population estimates suggest that there are currently around 386 individuals aged 75 or over in Market Bosworth. This suggests that current provision of independent specialist accommodation is in the region of 62 units per 1,000 of the 75+ population (a common measure of specialist housing supply). If the care home rooms are included this rises to 233.

Demographic characteristics

222. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Market Bosworth is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Hinckley and Bosworth. The results are set out in Table 7-1.
223. If Hinckley and Bosworth projections are borne out in the NA, the proportion of the population aged 75+ will rise from around 17% in 2020 to around 24% in 2039, amounting to an additional 250 people in that age category.
224. 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.

Table 7-1: Modelled projection of older population in Market Bosworth by end of Plan period

Age group	Market Bosworth		Hinckley and Bosworth	
	2020	2039	2020	2039
All ages	2,241	2,679	113,666	135,858
75+	386	636	11,347	18,690
%	17.2%	23.7%	10.0%	13.8%

Source: ONS SNPP 2020, AECOM Calculations

225. 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.

226. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Plan period to 2039. The top row in Table 7-2 outlines the tenure mix among 55-75 households at Local Authority level, which indicates that the vast majority of them are owner occupiers and very few rent privately.

227. The expected growth in the 75+ population in the NA is 250 additional individuals by the end of the plan period. This can be converted into 183 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 Market Bosworth 75+ households are likely to need in 2039. This is shown in the bottom row in Table 7-2.

Table 7-2: Tenure of households aged 55-75 in Hinckley and Bosworth (2011) and projected aged 75+ in Market Bosworth (2039)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
Hinckley and Bosworth	85.9%	62.5%	23.4%	14.1%	8.5%	4.7%	0.9%
Market Bosworth	157	114	43	26	15	9	2

Source: Census 2011

228. 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 Market Bosworth from the 2011 Census.

Future needs for specialist accommodation and adaptations

229. 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 82.

230. AECOM's modelling, summarised in Table 7-3, 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.

Table 7-3: AECOM estimate of specialist housing need in Market Bosworth by the end of the Plan period

Type	Affordable	Market	Total
Housing with care	10	26	36
Adaptations, sheltered, or retirement living	8	38	46
Total	18	64	82

Source: Census 2011, AECOM Calculations

231. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the most simple and widely used models estimating for the housing needs of older people. Ta3 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 Market Bosworth results in a total of 63 specialist dwellings that might be required to the end of the Plan period. This is set out in Table 7-4.

Table 7-4: HLIN estimate of specialist housing need in Market Bosworth by the end of the Plan period

Type	Affordable	Market	Total
Housing with care	8	10	18
Adaptations, sheltered, or retirement living	15	30	45
Total	23	40	63

Source: Housing LIN, AECOM calculations

232. Finally, it is helpful to set these findings within the Borough context. The 2022 HENA provides estimates for Hinckley and Bosworth in a similar format.

233. The results are reproduced in Table 7-5 below. If the total were pro-rated to Market Bosworth according to population statistics (2% of the Borough population live in the NA), this implies a need of 45 units in Market Bosworth to 2041, or 41 to the Neighbourhood Plan end date of 2039. This is lower than the estimates presented above, but this method does not reflect the fact, established above, that Market Bosworth has a generally older population than the Borough as a whole, which is the key driver of specialist housing need.

Table 7-5: HENA estimate of specialist housing need in Hinckley and Bosworth, 2020-41

Type	Affordable	Market	Total
Housing with care	258	513	771
Adaptations, sheltered, or retirement living	579	886	1,465
Total	837	1,399	2,236

Source: Housing LIN, AECOM calculations

Further considerations

234. The above estimates suggest that potential need for specialist accommodation could be in the range of 63-82 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 residual overall housing need estimate of 154, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
235. 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. It is noted that Market Bosworth has limited public transport and has a hilly topography that may limit its suitability to demographic groups with mobility challenges.
236. 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).
237. It is considered that Market Bosworth is, in broad terms, a fairly suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above ('fairly' because while broadly appropriate there are some issues, for example with topography). As such, there is potential for such accommodation to be provided within the Neighbourhood Area (while noting there is no specific requirement or obligation to do so if there is potential to meet need arising from Market Bosworth in other suitable locations near to but outside the Plan area boundaries).
238. 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

239. 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.
240. 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.
241. 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.
242. 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, it is estimated that in 2039 there would be a need for around 102 care homes beds in the NA. Given there are currently 66 rooms with the potential to accommodate 77 people, the estimate suggests limited expansion of existing provision might be required.
243. 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.
244. Again, this estimate can be compared to the result of the 2022 HENA, which identified a need for 1,018 nursing and care home bedspaces across the Borough to 2041. Market Bosworth's rough share of this figure would be around 20 bedspaces to 2041 or 18 to 2039. This estimate is of a different nature to that derived from the HLIN model because it takes fully into account existing provision over a large area. However, the end result is not dissimilar to the residual potential need for 25 bedspaces estimated above.

The Role of Mainstream Housing

245. 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 74% of the Market Bosworth population aged 75 and over is likely to live in the mainstream housing stock²⁰.
246. 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.
247. 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 Hinckley and Bosworth.
248. 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 dwellings²¹, although changes to Building Regulations have not yet been made.
249. The emerging Local Plan introduces requirements for housing accessibility: all new homes should meet M4(2) accessible homes standards, and 5% of new homes should meet M4(3) wheelchair user homes standards. The evidence gathered here would appear to justify achieving these targets as far as possible in Market Bosworth. It is unclear whether Neighbourhood Plans can set their own higher requirements so discussions with HBBC are advised if this is a key priority.

Conclusions- Specialist Housing for Older People

Existing supply of specialist housing

250. There is one specialist accommodation scheme (soon to be completed) and two care homes in Market Bosworth at present, according to the Elderly Accommodation Counsel search tool.
251. There is good provision for those with financial means and high care needs (provided by the care homes), and for those with limited means and limited needs (provided by Ambion Court). However, there are potential gaps in the market for independent accommodation for purchase on the private market (at low and high levels of care), and for extra care accommodation for those in financial need.

²⁰ 386 over 75s in 2020, of which up to 24 are accommodated in specialist housing and a further 77 in care homes, leaving 285 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75. Note also that it is not true that 24 people occupied Ambion Court in 2020 because it was not yet completed. However, because the scheme replaces a similar development of a similar size, the long term average is that 20 or more older people have been accommodated on that site.

²¹ 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)

Characteristics of the current older population

252. There are currently estimated to be around 386 individuals aged 75 or over in Market Bosworth, representing 17% of the population.
253. A clear majority (86%) of Hinckley and Bosworth households aged 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2039) are owner occupiers and the remainder predominantly rent from a social landlord. This is important because those currently owning will require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent will need to rely on subsidised rented housing because they are unlikely to have the funds to buy. Rates of disability in Market Bosworth are also higher among social tenants than owner-occupiers.

Projected demographic change and need for specialist housing

254. The 75+ population of the NA is projected to increase to 636 people over the Plan period, to become 24% of the population in 2039.
255. The growth in the older population, which, rather than the total, is the focus of the estimates of need here, should be converted into households because some older people will be cohabiting in old age. The projected household growth among those aged 75+ in Market Bosworth is 183.
256. 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 and the results of the HENA for Hinckley and Bosworth.
257. The two Market Bosworth specific estimates suggest a range of 63 to 82 specialist accommodation units might be required during the Plan period. The HENA indicates 2,236 dwellings will be needed across the Borough to 2041. When this estimate is pro-rated to Market Bosworth and to the year 2039 it suggests a need for 41 dwellings. This is lower than the HNA estimates because it does not reflect the fact that Market Bosworth has an older population than Hinckley and Bosworth overall.
258. The HNA estimates are also broken down by tenure and level of support required. Broadly, 60-80% of the need is for accommodation offered for market purchase. This chimes with the higher propensity of older households to be homeowners and the fact that all of the current supply of specialist housing (as opposed to care homes) in the NA is socially rented, leaving a gap in the market for homes for purchase.
259. Around 55-75% of the need is found to be for sheltered housing with limited support rather than additional care arrangements. This appears to be appropriate given that some of the need for extra-care housing could be met in the two care homes, although this is a different proposition in terms of independence and funding options.

260. The potential need for care and nursing home beds in Market Bosworth can be roughly estimated at a total of 102 to 2039. Given the two existing homes provide accommodation for up to 77 people, this suggests a further 25 units could be needed.

Accessibility and adaptability

261. Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, an alternative or additional avenue to the provision of additional specialist homes is to discuss the standards of accessibility and adaptability required of new development with HBBC. There is a particularly high degree of overlap between the groups served by sheltered specialist housing and adapted mainstream housing, so the unmet need for such homes identified here can be reduced through this means.

262. The emerging Local Plan introduces requirements for housing accessibility: all new homes should meet M4(2) accessible homes standards, and 5% of new homes should meet M4(3) wheelchair user homes standards. The evidence gathered here would appear to justify achieving these targets as far as possible in Market Bosworth. It is unclear whether Neighbourhood Plans can set their own higher requirements so discussions with HBBC are advised if this is a key priority.

8. Next Steps

Recommendations for next steps

263. This Neighbourhood Plan housing needs assessment aims to provide Market Bosworth 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 Hinckley and Bosworth 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 HBBC;
- 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 HBBC.

264. 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.

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

266. 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

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

- OA E00131105;
- OA E00131106;
- OA E00131107;
- OA E00131108;
- OA E00131109;
- OA E00131110; and
- OA E00131111.

268. 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 combination of LSOAs in this case, which will need to be used as a proxy for the NA, is:

- LSOA E01025837; and
- LSOA E01025838.
- The combined area is significantly wider than the NA. Its southern part covers Market Bosworth and a rural area east of the A447. It extends further to the north, encompassing the settlements of Shackerstone, Odstone, Congerstone and Carlton.

269. Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the NA is located and which will need to serve as a proxy for it, is:

- MSOA E02005380.
- In addition to the two LSOAs noted above, this area includes Nailstone, Barlestone and Osbaston to the east, and stretches much further to the west – approaching the settlement of Atherstone.

Appendix B : Local Plan context

Policies in the adopted local plan

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

Table B-1: Summary of relevant adopted policies in the Hinckley and Bosworth Core Strategy DPD and associated documents

Policy	Provisions
Paragraph 4.2, which cites Policy 13a in the East Midlands Regional Plan	The Local Planning Authority of Hinckley and Bosworth should plan to deliver 9,000 new dwellings during the period 2006-2026, or 450 per annum.
Supporting text pp. 23-56	<p>The four settlements of Hinckley, Burbage, Barwell and Earl Shilton function together as the main urban area of the Borough and a sub-regional centre in the East Midlands Regional Plan. The focus of new development will be in and around this area due its concentration of services.</p> <p>The remaining rural area of the Borough is divided into Key Rural Centres, Rural Villages, and Rural Hamlets.</p> <p>Key Rural Centres provide localised facilities and are the next most appropriate locations for development after the main urban area. These settlements are clustered into three groups: those relating closely to Leicester, those inside the National Forest, and those standing alone. The latter group includes Market Bosworth.</p> <p>Far Coton is not listed in any of the settlement categorisations.</p>
Policy 7: Key Rural Centres	To support the Key Rural Centres and ensure they can provide key services to their rural hinterland, the Council will support housing development within the settlement boundaries that provides a mix of housing types and tenures as detailed in Policy 15 and Policy 16, and support development under Policy 17: Local Needs.
Policy 11: Key Rural Centres Stand Alone	To support local services and maintain rural population levels, land for the development of a minimum of 100 new homes will be allocated in Market Bosworth. The mix of housing provided should meet identified needs.

Policy Provisions

Policy 15: Affordable Housing To support the provision of mixed, sustainable communities, a minimum of 2,090 affordable homes will be provided in the Borough from 2006 to 2026. At least 480 dwellings will contribute to this target in rural areas, including rural exception sites brought forward via Policy 17: Rural Needs.

Rural areas (including Market Bosworth) will be expected to deliver Affordable Housing on developments of 4 dwellings or more (or 0.13 ha or more). The on-site target is 40% Affordable Housing.

Location	Size	Affordable Housing on Site Target
Urban (Hinckley, Barwell, Earl Shilton and Burbage but not Sustainable Urban Extensions)	15 dwellings or more, or 0.5 ha or more	20%*
Sustainable Urban Extensions – Barwell and Earl Shilton	15 dwellings or more, or 0.5 ha or more	20%*
Rural areas (all sites not in the above categories)	4 dwellings or more, or 0.13 ha or more	40%*

* These targets are based on the assumption of nil grant; in cases where grant is available additionality will be sought in line with Homes and Communities Agency guidance.

For all sites the tenure split will be 75% social rented and 25% intermediate housing.

These figures may be negotiated on a site-by-site basis taking into account: identified local need, existing provision, characteristics of the site, and viability. In areas where there is already a high proportion of Affordable Housing, the Council may agree to accept commuted sums in lieu of on-site Affordable Housing.

Policy 16: Housing Density, Mix, and Design The Council requires a mix of housing types and tenures to be provided on all sites of 10 or more dwellings.

Proposals for new residential development will be required to meet a minimum net density of at least 30 dwellings per hectare within and adjoining the Key Rural Centres, Rural Villages, and Rural Hamlets.

Policy 17: Rural Needs In Key Rural Centres, Rural Villages, and Rural Hamlets, small scale developments that meet a 'local need' either through Local Choice or a Rural Exceptions Site for housing, employment, or community facilities adjacent to the settlement boundary will be permitted certain conditions are met.

Affordable Housing SPD. Key Policy Principle AH1: Tenure Type and Mix On sites where Affordable Housing is being sought, the Council's first priority is for affordable social rented housing rather than other tenure types. Negotiations with developers and partner RSLs should therefore be based on the following priorities:

1. Social rent;
2. Intermediate tenure;
3. Other tenures.

The Council will expect at least 75% of all new affordable accommodation in the Borough to be for social rent. It is anticipated that intermediate tenures will make up the remaining 25% of new affordable accommodation.

Policy	Provisions
Site Allocations and Development Management Policy SA5: Land South of Station Road and Heath Road, Market Bosworth	Proposals for the site named in the policy should provide approximately 100 dwellings, with a density, mix and design in line with Core Strategy policies (including Affordable Housing provision). The residual minimum housing requirement for Market Bosworth after deducting existing dwelling commitments (as of September 2014) is 43 dwellings. The site allocation for 100 dwellings meets the remaining minimum requirement.

Policies in the emerging local plan

271. Table B-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Market Bosworth. This information has been sourced from the Regulation 19 consultation version of the emerging Local Plan 2020-2039. It is important to note that the status of this document is currently uncertain, with key housing and other elements to be reviewed. It is worth reviewing in detail as the most recent available information, but is potentially subject to change.

Table 2-2: Summary of relevant emerging policies in the Hinckley and Bosworth emerging Local Plan

Policy	Provisions
SS02: Development Strategy	<p>The majority of new homes will be located in the urban areas of the Borough, followed by the identified Key Rural Centres and Rural Villages. Growth will be limited elsewhere.</p> <p>Table 4 in the supporting text confirms that Market Bosworth remains classified as a Key Rural Centre. This category provides a range of services for residents and surrounding rural communities. Development is to allow for managed growth to maintain the vitality and viability of settlements. Around 2,600 homes are planned in Key Rural Centres.</p> <p>Far Coton has been added to the list of Rural Hamlets, a category notable for having limited services and generally not considered as sustainable locations for growth. However, limited growth may be appropriate to meet specific identified needs. 109 homes are proposed on sites with permission in Rural Hamlets.</p> <p>Across the Borough overall, provision will be made for a minimum of 9,124 dwellings during the period 2020-2039. Of these, 3,854 dwellings are already completed or committed.</p> <p>Table 5 in the supporting text details land supply by settlement. Market Bosworth has 1 net completion 2020/21, 31 commitments as at April 2021 and 343 allocations, therefore totalling a potential supply of 375 homes.</p>
SS08: Strategy for the Key Rural Centres	The Council will plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community. Further commitments of the Council for Key Service Centres, not relevant to housing, are outlined in the policy.
SS10: Strategy for the Rural Hamlets	Limited growth is supported only where appropriate; Neighbourhood Plans will be promoted to lead on the strategy for growth; and existing character and features should be protected.

Policy	Provisions
HO01: Provision of New Housing	<p>To meet the strategy for housing set out in Policy SS02, planning permission will be granted for residential development on the sites allocated on the Policies Map, provided the development is in accordance with other relevant policies of the Development Plan.</p> <p>Residential development within the identified settlement boundaries will be supported where it accords with relevant development plan policies.</p>
HO02: Housing Mix, Size, and Type	<p>To meet the housing needs of the Borough, residential developments should provide a mix of dwelling sizes informed by the most up to date evidence of housing need.</p>
HO05: Accessible Housing	<p>New build residential developments should include the following proportions of accessible dwellings:</p> <ul style="list-style-type: none"> - All dwellings to meet at least M4(2) standard - 5% of all new dwellings to at least M4(3) standard <p>Unless evidence of local need dictates otherwise, the mix of sizes, type, and tenure of M4(3) dwellings should reflect the mix of dwellings of the development as a whole.</p> <p>In terms of tenure, if the required number of M4(3) dwellings is even, it would be appropriate for half to be affordable and half to be market housing. Where the number is odd, affordable provision should be favoured, as evidence indicates a slightly higher need from wheelchair users in the social sector.</p>
HO06: Self-build and Custom Housing	<p>Sites providing 100 or more dwellings must include the provision of 5% of plots for self-build and custom housing as part of an appropriate mix of dwellings. All plots for self-build and custom housing must be fully serviced.</p>
HO09: Affordable Housing	<p>To support the provision of mixed, sustainable communities, a minimum of 40% affordable homes will be required on new residential development of 10 or more dwellings (or sites of at least 0.5 ha).</p> <p>In rural areas (including Market Bosworth), the split of Affordable Housing (40%) should be delivered as follows:</p> <ul style="list-style-type: none"> • 56% affordable homes for rent • 25% First Homes • 19% other forms of affordable home ownership

Appendix C : Affordability calculations

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

C.1 Market housing

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

i) Market sales

274. The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income are 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.

275. To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Market Bosworth, 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.

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

- Value of a median NA house price (2021) = £336,500;
- Purchase deposit at 10% of value = £33,650;
- Value of dwelling for mortgage purposes = £302,850;
- Divided by loan to income ratio of 3.5 = purchase threshold of £86,529.

277. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2021 was £277,000, and the purchase threshold is therefore £71,229.

278. It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records no sales of new build properties in the NA since

2017. There were too few recent sales in the NA specifically to determine an accurate average for the cost of new build housing in Market Bosworth.
279. 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).
280. Therefore an estimate has been calculated by determining the uplift between all house prices in 2021 across Hinckley and Bosworth and new build house prices in 2021 in the same area. This percentage uplift (or 'new build premium') is then applied to the 2021 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £318,249 and purchase threshold of £81,836.
281. 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 Hinckley and Bosworth in 2021. The median cost of new build dwellings in Hinckley and Bosworth was £269,995, with a purchase threshold of £69,427. This is perhaps unlikely to be achievable in the NA given that the median home value in Market Bosworth in 2021 was 43% higher than the median for the wider Borough – hence the need to calculate the estimate outlined above.

ii) Private Rented Sector (PRS)

282. 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.
283. 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.
284. The property websites Rightmove and Home.co.uk provide rental values for property in the Neighbourhood Area and its surroundings. A combination of sources and areas of search is used here to generate a robust sample. According to Rightmove, there were 3 2 bedroom properties for rent in Market Bosworth at the time of search in October 2022, with an average monthly rent of £750. This represents the cost of entry-level housing.

285. There were, however, too few examples of other property sizes within the NA itself, so the overall average rent is taken from the wider CV13 postcode area, where there were 12 properties listed, with an overall median rent of £913.

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

- Annual rent = £750 x 12 = £9,000;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £30,000.

287. The calculation is repeated for the overall average of £913 per month to give an income threshold of £36,520.

C.2 Affordable Housing

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

i) Social rent

289. 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.

290. 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 Market Bosworth. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Hinckley and Bosworth in Table C-1.

291. 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	£84.08	£92.58	£99.59	£124.00	£93.50
Annual average	£4,372	£4,814	£5,179	£6,448	£4,862
Income needed	£14,559	£16,031	£17,245	£21,472	£16,190

Source: Homes England, AECOM Calculations

ii) Affordable rent

292. 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).
293. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
294. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Hinckley and Bosworth. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
295. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 60% 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	£91.22	£102.76	£109.70	£143.20	£101.97
Annual average	£4,743	£5,344	£5,704	£7,446	£5,302
Income needed	£15,796	£17,794	£18,996	£24,797	£17,657

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

296. 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.
297. In paragraph 65 of the NPPF 2021, 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.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership

requirement referenced above may be replaced by the First Homes requirement.

First Homes

298. 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.

299. 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 £318,249.

300. 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) = £318,249;
- Discounted by 30% = £222,775;
- Purchase deposit at 10% of value = £22,277;
- Value of dwelling for mortgage purposes = £200,497;
- Divided by loan to income ratio of 3.5 = purchase threshold of £57,285.

301. 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 £49,101 and £40,918 respectively.
302. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.
303. 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. m²²) would be around £122,500. This cost excludes any land value or developer profit. This would not appear to be an issue in Market Bosworth.
304. Table C-3 shows the discount required for First Homes to be affordable to the four income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. 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	46%	78%	57%
NA estimated new build entry-level house price	43%	77%	54%
NA entry-level house price	35%	74%	47%
LA median new build house price	33%	73%	46%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

305. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%) and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.
306. 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

²² 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/>

previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.

307. 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).
308. The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £318,249 is £79,562;
 - A 10% deposit of £7,956 is deducted, leaving a mortgage value of £71,606;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £20,459;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £238,687;
 - The estimated annual rent at 2.5% of the unsold value is £5,967;
 - This requires an income of £19,891 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £40,350 (£20,459 plus £19,891).
309. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £32,052 and £54,178 respectively. All are below the income cap for eligible households of £80,000.

Rent to Buy

310. 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)

311. 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.

312. 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 estimates

313. In Table D-1 AECOM has calculated, using PPG as a starting point,²³ an estimate of the total need for affordable rented housing in Market Bosworth 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.

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

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

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	21.0	HBBC data: – all households on the Housing Register with a connection to Market Bosworth, as of September 2022.
1.2 Per annum	1.3	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	181.9	DLUHC 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	15.3%	(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 parish	125.0	2011 Census social rented occupancy for the NA + LA % increase.
2.2.2 Number of private renters on housing benefits	18.3	Housing benefit caseload May 2018. Pro rata for NA.
2.3 New households unable to rent	27.8	Step 2.1 x Step 2.2.
2.4 Per annum	1.7	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers)	4.3	HBBC data: 40 lettings of social rented housing, of which 27 were new lets, leaving 13 re-lets between Jan 2020 and Sep 2022, thus 4.3 per year.
NET SURPLUS OF RENTED UNITS PER ANNUM		
Overall surplus per annum	1.3	Step 1.2 + Step 2.4 - Step 3.2

²³ Paragraphs 024-026 Reference ID: 2a-026-20140306, at <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

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.

315. Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Market Bosworth. 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.
316. 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.²⁴ 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 Market Bosworth

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in parish	121.9	Census 2011 number of renters x national % increase to 2018.
1.2 Percentage renters on housing benefit in LA	15.1%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in parish	18.3	Step 1.1 x Step 1.2.
1.4 Current need (households)	77.7	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ²⁵
1.5 Per annum	4.9	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	181.9	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	7.9%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	14.4	Step 2.1 x Step 2.2.

²⁴ <http://www.ipsos-mori-generations.com/housing.html>

²⁵ 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 eg <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.

2.4 Total newly arising need per annum	1.1	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	7.9	Number of shared ownership homes in parish (Census 2011 + LA new build to 2018/19 pro rated to NA).
3.2 Supply - intermediate resales	0.4	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	89.1	(Step 1.5 + Step 2.4) - Step 3.2.

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

317. 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).

318. 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.

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 adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>This HNA suggests that the NA has an adequate supply of affordable rented housing and may see potential demand for 5.6 units of affordable home ownership homes per annum over the Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p> <p>The relationship between these figures suggests that affordable home ownership should be the priority going forward.</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</p>	<p>If the Local Plan target of 40% were achieved on every site, assuming the delivery of the NA's residual housing need figure for 154 homes overall, up to 62 affordable homes might be expected in the NA over the Plan period.</p>

<p>quantity of overall housing delivery expected.</p>	<p>This level of potential affordable housing delivery would not be sufficient to meet the potential demand for affordable home ownership identified here in full, but could represent a significant injection of supply compared to current levels of shared ownership.</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 the relevant part of Hinckley and Bosworth, 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 emerging Local Plan.</p>
<p>D. Local Plan policy:</p>	<p>As noted, the adopted Core Strategy seeks a tenure split of 75% affordable rent and 25% affordable home ownership. This is changed to 56% affordable rent, 25% First Homes and 19% other routes to ownership.</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 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</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. That is not the case in Hinckley and Bosworth, where the emerging Local Plan policy is drafted in accordance with national First Homes requirements. This has, however, appeared to result in a loss of affordable rented housing compared to the mix sought in the adopted Core Strategy.</p>

<p>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>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 Parish Council 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 Market Bosworth:</p> <p>The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>The present tenure mix in Market Bosworth includes a slightly higher proportion of social rented accommodation than the Borough average, and a much lower proportion of shared ownership. This suggests that there is a particular opportunity to raise the provision of affordable home ownership options.</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 parish. The funding arrangements available to housing associations will determine rent levels.</p>
<p>J. Wider policy objectives:</p>	<p>The Parish Council may wish to take account of broader policy objectives for</p>

	<p>Market Bosworth 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>
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Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Market Bosworth

	Name	Description	Dwellings	Tenure	Type
1	Ambion Court	Brand new development of socially rented flats for those aged 60+	24	Social rent	Retirement housing
2	Orchard House	30-unit purpose built care home	30	Care home	Care home
3	Bosworth Court	36-unit nursing care home, with some shared rooms offering accommodation to 47 residents in total	36	Care home	Care home with nursing

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

Table E-2: Tenure and mobility limitations of those aged 65+ in Market Bosworth, 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	526	110	20.9%	132	25.1%	284
Owned Total	424	70	16.5%	102	24.1%	252
Owned outright	378	58	15.3%	97	25.7%	223
Owned (mortgage) or shared ownership	46	12	26.1%	5	10.9%	29
Rented Total	102	40	39.2%	30	29.4%	32
Social rented	68	29	42.6%	20	29.4%	19
Private rented or living rent free	34	11	32.4%	10	29.4%	13

Source: DC3408EW Health status

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

319. As Table 7-1 in the main report shows, Market Bosworth is forecast to see an increase of 250 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 = $60 \times .25 = 15$
- Leasehold sheltered housing = $120 \times .25 = 30$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times .25 = 5$
- Extra care housing for rent = $15 \times .25 = 4$
- Extra care housing for sale = $30 \times .25 = 7$
- Housing based provision for dementia = $6 \times .25 = 2$

Appendix F : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

Assessing affordability involves comparing housing costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority (LQAR) as well as median house price to median earnings by local authority (MAR) e.g. income = £25,000, house price = £200,000. House price: income ratio = $\frac{£200,000}{£25,000} = 8$, (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 methods²⁶.

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 Standard²⁷

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.

²⁶ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²⁷ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community Led Housing/Community Land Trusts

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

Community Right to Build Order²⁸

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

Concealed Families (Census definition)²⁹

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

Equity Loans/Shared Equity

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.

²⁸ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²⁹ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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 years³⁰, 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

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

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

living room and one kitchen would be deemed overcrowded if three adults were living there.

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

Housing for older people comprising of individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually

include support services for independent living. This type of housing can also include dementia care homes.

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing³¹

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

³¹ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

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

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

