Sporle with Palgrave

Neighbourhood Plan
Housing Needs Assessment (HNA)

April 2025

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Quality information

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Revision History

Revision	Date	Authorized	Position
1. First Draft	06/02/25	Chloe Aiken	Consultant Town Planner
2. Internal Review	25/02/25	Paul Avery	Principal Housing Consultant
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6. Final Report	08/04/25	Chloe Aiken	Consultant Town Planner

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List of acronyms used in the text:

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

1. Executive Summary

1.1.1. Sporle with Palgrave is a Neighbourhood Area (NA) located in the district of Breckland. The NA boundary aligns with the parish boundary and was designated in January 2024.

1.1.2. The 2021 Census recorded 1,037 individuals and 471 households in Sporle with Palgrave, indicating an increase of 26 people and 18 households since the 2011 Census.

1.1.3. There has been some development in Sporle with Palgrave in recent years. Breckland Council has provided data showing that 26 new homes have been built since 2011 – when there were 476 dwellings. Although data from Breckland Council does not indicate how many of these homes were affordable or market dwellings, anecdotal evidence from the Steering Group suggests that no affordable homes have been built. The current total number of dwellings in the NA is therefore estimated to be 502. As of 2024, outstanding commitments (dwellings on sites with planning permission) total 77 homes. Notably, the majority of these commitments are for a housing development on Essex Farm for 75 dwellings (ref: 3PL/2019/0920/O and 3PL/2022/1048/VAR).

1.1.4. It is worth noting that completions data indicates that there have been 26 new homes since 2011, with 2021 Census data showing there has only been an increase of 26 people since 2011. The disproportionality between these figures (since it would be expected that 26 homes would accommodate more than 1 additional person each) may be because, while new people have taken up the new housing, the population of those living in existing homes has contracted slightly due to ageing and mortality, thus offsetting the increase to some extent.

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

1.1.6. Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.

1.1.7. This HNA has been undertaken in line with the National Planning Policy Framework (NPPF) [1] and practice guidance (both published in December 2024). [2]

[1] National Planning Policy Framework published in December 2024
[2] Housing and economic needs assessment - GOV.UK published in December 2024

1.2. Affordability and Affordable Housing

Current tenure profile

1.2.1. Census data shows that in 2021 home ownership was the most dominant tenure across the NA (70.9%), LA (67%) and England (61.3%). The NA (16.1%) and England (17.1%) had a similar proportion of households who socially rented. The LA (18.2%) and England (20.6%) had a greater proportion of households who lived in private rented dwellings compared to the NA (11.9%). Shared ownership was the least common tenure across the various geographies in 2021.

Affordability

1.2.2. Between 2015 and 2024, house prices in Sporle with Palgrave have fluctuated, with peaks in 2019, 2022 and 2024. Over the decade the median house price increased substantially by 74.5% from £174,750 to £305,000. The 2024 median house price in Sporle with Palgrave (£305,000) was 22% greater than the median house price in Breckland (£250,000), suggesting that the NA has higher house prices than the LA (although this may also reflect a dwelling mix skewed to less dense property types).

1.2.3. Local households on average incomes of £43,400 are unable to access even entry-level homes unless they have the advantage of a very large deposit. Private renting (at entry level rents) is generally affordable to households on average incomes and households with two lower quartile earners. Average market rents appear to be in the margins of affordability to households on average incomes. Households made up of one lower quartile earner cannot afford private rents.

1.2.4. Turning to affordable home ownership, it is recommended that First Homes are delivered at a 40% discount, making them affordable to households on average incomes. Shared ownership appears to be more affordable than Discounted Market Sales/ First Homes and is likely to be accessible to more households. Rent to Buy for entry-level homes appear affordable to households on average incomes and households with two lower quartile earners. This product may also be useful in meeting the needs of households with little or no savings for a deposit.

1.2.5. Affordable rented housing is generally affordable to households with two lower earners depending on their household size. Households with a single lower earner appear able to afford social rented housing but cannot afford Affordable Rents.

The need for Affordable Housing

1.2.6. AECOM estimates that there may be sufficient Social/ Affordable Rented housing in the NA to meet localised needs over the Neighbourhood plan period. The need for Social/ Affordable Rent largely relates to households who live in unsuitable housing and who cannot afford to access market rents.

1.2.7. On the other hand, AECOM estimate a potential demand for 1.5 affordable home ownership dwellings per annum in the NA, equating to 31.2 over the plan period.

Affordable Housing policy

1.2.8. The emerging Local Plan states that the size, mix, type and tenure of affordable homes will meet the identified need in Breckland as established by the HEDNA. The HEDNA has assessed there to be a need of 90% social and affordable rent in the district and 10% affordable home ownership. However, the provision of affordable housing is suggested to be within a group of identified urban areas. The adopted Local Plan on the other hand requires a tenure split of 70% rented to 30% shared ownership/ intermediate products.

1.2.9. AECOM suggests the NA deviates from these tenure mixes and delivers 60% Social/ Affordable rented housing to 40% affordable home ownership. This suggested mix would allow for the acute needs of households to be met, i.e. by delivering Social/ Affordable rent whilst providing scope for the delivery of affordable home ownership products. Provision of affordable home ownership products such as shared ownership would offer genuine choice in the NA, especially as it is an expensive area which lacks in these products.

1.2.10. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts.

1.3. Housing Mix: Type and Size

The current housing mix

1.3.1. Census data shows that the NA had the greatest proportion of households living in detached dwellings (58.3%) compared to Breckland (46.8%) and England (22.9%). Across geographies there were a similar proportion of households living in semi-detached dwellings. VOA data shows that in 2023, 55.1% of the dwellings within the NA (proxy area) were bungalows, which was much greater than the proportions found across the Local Authority (LA) (24.4%) and England (9.1%). These are likely to account for the significant number of the detached and semi-detached dwellings noted in the Census data. There was a small proportion of households living in flats and terraced dwellings in the NA compared to the LA and England.

1.3.2. In terms of dwelling size, the NA generally had a similar size mix to the LA and England in 2021. Across these geographies, most households live in mid-sized 3-bedroom dwellings, whilst a small proportion of households live in smaller 1-bedroom dwellings.

1.3.3. The proportional mix in dwelling sizes across the NA has generally remained the same in 2011 and 2021, despite some increases and decreases in the dwelling size mix.

Population characteristics

1.3.4. Between 2011 and 2021 the overall population in Sporle with Palgrave increased slightly by 2.6%. The proportion of people aged 0-14 and 15-24 decreased the most over the decade by 21.1% and 16.7%. The number of those aged 25-44 (3.9%) and 45-64 (0.9%) decreased slightly over this same period. The older population, consisting of age groups 65-88 (33%) and 85+ (33.3%) were the only age groups to experience growth over the decade. In both years the greatest proportion of the population were aged 45-64, followed by 65-84. These results reflect the clear ageing of the NA population. Furthermore, as previously noted, the NA has a large number of bungalows, which may make it a popular destination for older people.

1.3.5. The composition of Sporle with Palgrave's households (in terms of people, their age, and their relationships to one another) has some similarities and differences to the composition found in the district and England. The NA (29.4%), LA (27.4%) and England (30.1%) had a similar proportion of single person households. When looking at the household composition groups, the NA had the greatest proportion of households aged 66 and over for both single person (16.6%) and family households (18.7%). The NA (19.9%) and LA (20.1%) had a similar proportion of households with no children. Nationally, there was a greater proportion of dependent children at 25.8%, slightly greater than the LA at 22.8% and much greater than the NA at 14.5%. In contrast, the NA (12.8%) had a slightly greater proportion of non-dependent children compared to the LA (9.8%) and England (10.5%). This suggests that the population of young families is relatively low in Sporle with Palgrave, and that many of the children who do exist are now older and may be looking to form their own households.

1.3.6. Between 2011 and 2021 there was an increase in the proportion of family households aged 65/66 and over in the NA at 34.8%. In comparison, this group increased by 27% across the district and only 8.4% nationally. This indicates that the population within the NA and LA is ageing faster compared to national levels. Linked to this, the proportion of households with dependent children decreased by 31% in the NA, whereas the proportion increased slightly by 0.5% in the district and 0.9% nationally. The proportion of non-dependent children increased by 32.6% in the NA, a faster rate than the district average of 21.9% and much faster rate than the national average of 3.5%. This increase suggests that there may be affordability challenges in the NA but could also be attributed to the Census being completed during a national lockdown when many students returned home from university.

1.3.7. Under-occupancy is relatively common in the NA. In 2021, 82.8% of households lived in a dwelling with 1 or 2 extra bedrooms compared to their household size. This is most prevalent in households with families under 66 with no children, with 100% of these households being under-occupied. The proportion of family households aged 66+ (98.8%), single person households aged 66+ (96.2%) and single person households under 66 (86.9%) appear to be particularly under-occupied. A small number of family households under 66 with dependent children (2.9%) and with adult children (5.1%) are living in overcrowded homes. Although this is a small proportion, it still provides an indicator of potentially acute need amongst some households in the NA.

Future population and size needs

1.3.8. The number of households with a household reference person aged 65 and over is projected to nearly double from 2011 to 2046 (increase of 96%). Households with a reference person aged 55-64 are projected to increase by 22% over this same period. In contrast, all younger age groups are projected to experience very minimal growth.

1.3.9. If current trends persist, and the goal is to accommodate the demographic shift of an ageing population, then future housing delivery in Sporle with Palgrave should prioritise the provision of dwellings which would be appropriate to accommodate this population. However, if the Steering Group wish to provide housing which would encourage young people and families, a more varied and affordable mix of housing may be appropriate.

1.3.10. 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 future housing delivery should be particularly focused on mid-sized 3-bedroom dwellings, with continued provision of both smaller and larger dwellings. This suggestion aligns with the Sporle and Palgrave Neighbourhood Plan Initial Survey Analysis Report (2024), which found that respondents felt that 3-bedroom homes were the highest priority dwelling size in the NA. The HEDNA on the other hand suggests that the greatest need is for 2-bedroom dwellings.

1.3.11. 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

2. Context

2.1. Local context

2.1.1. Sporle with Palgrave is a Neighbourhood Area (NA) located in the district of Breckland in Norfolk. The NA boundary aligns with the parish boundary and was designated in January 2024.

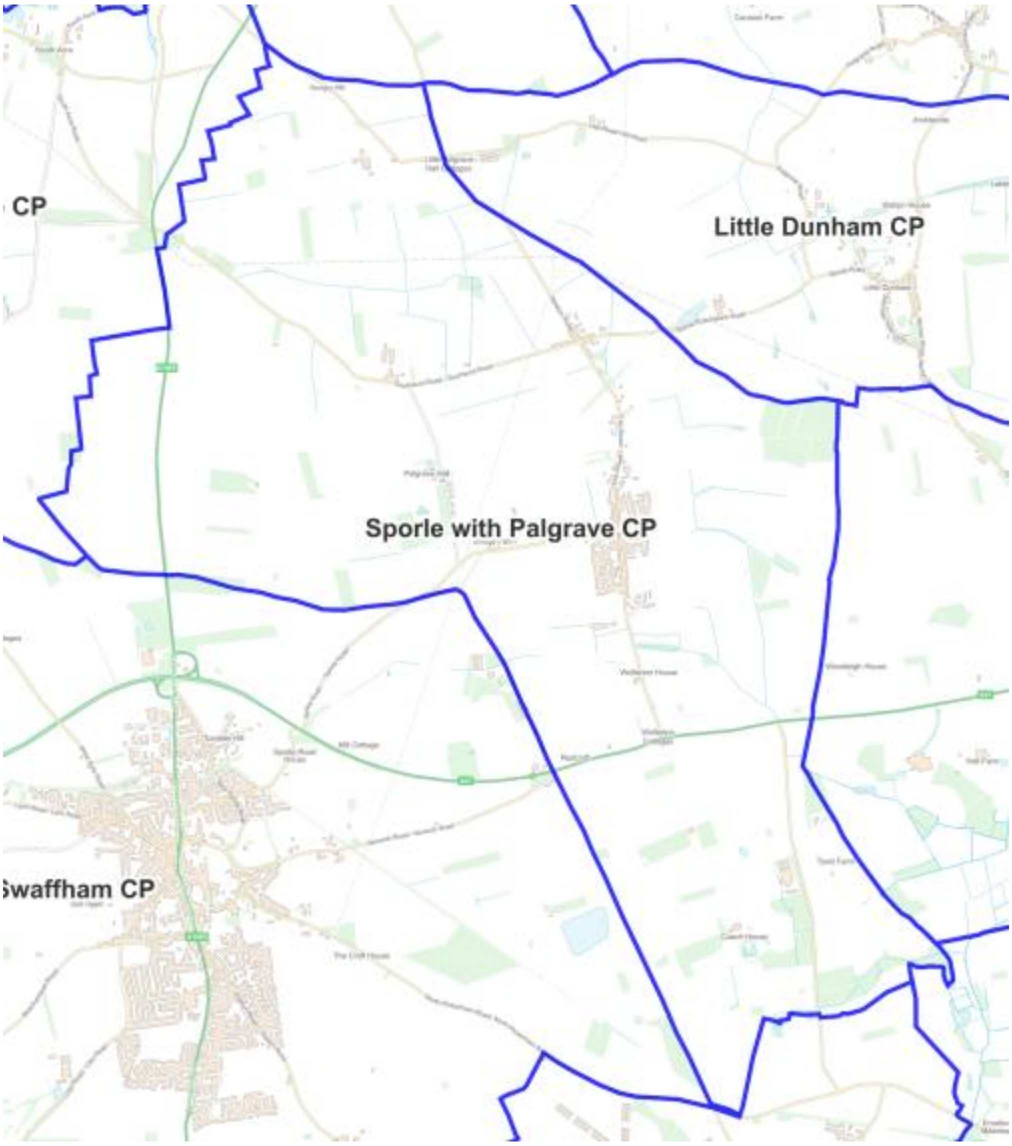
2.1.2. The Neighbourhood Plan is envisaged to start in 2025 and extend to 2046, therefore covering a period of 21 years. The evidence supplied in this report will look forward to the Plan end date of 2046, but where possible will also provide annualised figures which can be extrapolated to a different term if the Neighbourhood Plan period changes.

2.1.3. The NA is a civil parish consisting of the villages of Sporle and Great Palgrave. The A47 trunkroad from Lowestoft to Birmingham runs through the south of the parish. The market town of Swaffham is located directly southwest of the NA, whilst the town of Dereham is approximately 10 miles east. The city of Norwich can be accessed approximately 27 miles east of the NA. In terms of services and facilities, there is a primary school, village hall, Church, community centre, convenience shop and pub. A McDonalds' restaurant and a service station bound the parish to the west. There are two bus stops in the NA, providing services to Dereham.

2.2. The NA boundary and key statistics

2.2.1. 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 Sporle with Palgrave is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Sporle with Palgrave Neighbourhood Area



Source: Breckland Council[3]

2.2.2. At the time of the 2021 Census the NA was home to 1,037 residents, formed into 471 households and occupying 500 dwellings. This data indicates population growth of around 26 people (or 2.6%) since 2011, when the Census 2011 recorded a total of 1,011 residents and 453 households. Comparing Census 2021 dwellings figures with 2011 suggests growth of 24 in the number of dwellings over the 10 year period.

2.2.3. Completions data provided by Breckland Council indicate that 26 new homes have been built since 2011. Although this data does not indicate how many of these homes were affordable or market dwellings, anecdotal evidence from the Steering Group suggests that no affordable homes have been built. This data broadly aligns with the 2021 Census data. The completions data suggests that only three homes have been built from 2021 to 2024.

2.2.4. Commitments data was also provided by Breckland Council which shows that that as of 2024, there were 77 homes with planning permission. The majority of these

[3] Available at: https://www.breckland.gov.uk/neighbourhood-planning/sporle

commitments are for a housing development on Essex Farm for 75 dwellings (ref: 3PL/2019/0920/O and 3PL/2022/1048/VAR).

2.3. The housing market area context

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

2.3.2. In the case of Sporle with Palgrave, the NA sits within a housing market area which covers Norwich City, Broadland, Breckland, North Norfolk and South Norfolk, together with the Broads Authority Executive Area.[4] This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including King's Lynn.

2.3.3. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Sporle with Palgrave, are closely linked to other areas. In the case of Sporle with Palgrave, changes in need or demand in settlements nearby are likely to impact on the neighbourhood. A series of sites have been allocated in the Breckland Local Plan for residential development in the nearby market towns of Swaffham and Dereham which could help meet some of the needs or demands of the NA.

2.3.4. In summary, Sporle with Palgrave functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Breckland Council), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

[4] SHMA available at: https://www.north-norfolk.gov.uk/tasks/planning-policy/strategic-housing-market-assessment/#:~:text=The%20Strategic%20Housing%20Market%20Assessment,Norfolk%20and%20the%20Broads%20Authority.

2.4. Planning policy context

2.4.1. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.[5] In the case of Breckland Council, the relevant adopted Local Plan was adopted in November 2019 and guides development decisions to 2036.

2.4.2. In September 2022, Breckland Council agreed to review the adopted Local Plan. This review would include a full update of the Plan, providing guidance to 2046, including the allocation of new developments and reviewing policies.

2.4.3. In September 2023 the current adopted Plan was partially updated, involving the review of Policy INF 03, which covers housing, non-travelling gypsy and travellers, dwelling accessibility standards and economic development.

2.4.4. A Preferred Options Draft Local Plan was published in June 2024 and underwent public consultation (Regulation 18) commencing in July 2024. With the new NPPF being issued in December 2024, Breckland Council is now reviewing changes in national policy and the implications of this on the Local Plan.

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

- In Policy GEN 02, Sporle is designated as Local Service Centre. Approximately 14% of new housing development will be directed to Local Service Centres. Settlements not designated are considered ‘Smaller Villages’, i.e. Great Palgrave. Development is usually not considered appropriate in these areas, therefore only 5% of new housing development will take place in these settlements. A number of Smaller Villages are specified within other Plan policies, Great Palgrave is however not one of these.

- Emerging Local Plan Policy HOU 01 states that the Local Plan sets a minimum requirement for delivery of at least 16,525 new homes between 1 April 2021 and 31 March 2046, to ensure an average minimum provision of 661 dwellings per annum.

- Policy HOU 02 states that 82 dwellings have been built or committed between 2021 and 2046 in Sporle. No new sites have has been allocated for development within the emerging plan for the area.

- In Policy HOU 08 affordable led housing exception sites are supported on sites outside but adjacent to defined settlements where residential development would not normally be appropriate. Exception sites will also be supported in Local Service Centres where they meet identified affordable housing needs.

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

- Policy HOU 21 states that proposals for residential development must include a mix of market housing which contribute towards a balance of house types and sizes across Breckland in accordance with the HEDNA.
- In Policy HOU 24 it is expected that 25% of qualifying developments should be affordable housing, i.e. proposals capable of delivering 10 or more units or has the site area of 0.5 hectares or more. The size, mix, type and tenure will meet the need established in the HEDNA.

2.5. Quantity of housing to provide

2.5.1. The NPPF 2024 (paragraphs 69 and 70) requires LPAs to provide designated neighbourhood areas with a housing requirement which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Where it is not possible for the LPA to provide a requirement figure for a neighbourhood area the NPPF states that the LPA should provide an indicative figure, if requested to do so by the neighbourhood planning body.

2.5.2. Breckland Council has not yet fulfilled that requirement, although an indicative housing figure has been requested and is understood to be in preparation by the Council. In terms of allocations, the adopted Local Plan allocates a site for 35 dwellings in Sporle at Essex Farm (LP[902]005). Within the Council's Preferred Options Draft Local Plan, no new dwellings have been allocated in Sporle. In terms of development in Great Palgrave, neither the adopted nor emerging Local Plan allocates any housing in this part of the NA.

3. Objectives and Approach

3.1. Objectives

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

Affordability and Affordable Housing

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

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

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

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

Housing Mix: Type and Size

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

3.1.6. The focus of this section 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 change over time and what mix of homes would be most appropriate to build.

3.1.7. In addition to the direction of travel revealed by data, a variety of reasons sit behind the choices that households make that are less easy to predict, including wealth, accessibility requirements and personal preference. The evidence in this section provides a starting point for developing and justifying planning policies but does not provide definitive recommendations as it may be appropriate to take into account other factors and site-specific circumstances.

3.2. Approach

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

- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Rightmove;
- Local Authority housing waiting list data;
- Sporle and Palgrave Neighbourhood Plan Initial Survey Analysis Report; and
- Breckland Housing and Economic Development Needs Assessment (HEDNA) 2024.[6]

3.2.2. Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including for parishes, and some datasets which compare numerous variables, has not yet been made available. As such, this HNA draws on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections to build up evidence at the neighbourhood level.

[6] Available at: https://www.breckland.gov.uk/article/19942/Local-Plan-Full-Update-2024

4. Affordability and Affordable Housing

4.1. Introduction

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

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

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

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

4.1.4. This HNA has been undertaken in line with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) (published 2024).

4.2. Definitions

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

- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
- **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
- The definition of **Affordable Housing** is set out in the NPPF 2024 (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 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 products are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. This includes discounted market sales housing and other affordable routes to home ownership (shared ownership, rent to buy etc) which are defined in Annex 2. First Homes are also part of the range of affordable home ownership products,

but the definition of First Homes and policy is covered in a Ministerial Statement (2021) and not defined in Annex 2.[7]

4.3. Current tenure profile

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

4.3.2. Table 4-1 presents data on tenure in Sporle with Palgrave compared with Breckland and England from the 2021 Census. It shows that home ownership is clearly the dominant tenure across the NA (70.9%), LA (67%) and England (61.3%). The NA and England had a similar proportion of households who socially rented at 16.1% and 17.1%. The LA (18.2%) and England (20.6%) had a greater proportion of households who lived in private rented dwellings compared to the NA (11.9%). Shared ownership was the least common tenure across the various geographies in 2021.

Table 4-1: Tenure (households) in Sporle with Palgrave, 2021

Tenure	NA	LA	England
Owned	70.9%	67.0%	61.3%
Shared ownership	1.1%	0.7%	1.0%
Social rented	16.1%	14.1%	17.1%
Private rented	11.9%	18.2%	20.6%

Sources: Census 2021, AECOM Calculations

4.3.3. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). Between 2011 and 2021 there appears to have been a significant increase in the number of households who lived in shared ownership dwellings at 66.7%. However, it must be noted that there is a very small stock of this tenure in the NA which results in an exaggeration in the percentage change. The number of households who owned their own home increased over the decade by 7.1%. Private renting has slightly increased over the decade at 1.8%, with there being one additional private rented dwelling in 2021 compared to 2011. In contrast, social rent has decreased by 8.4%, with a loss of 7 social rented dwellings over the decade. Anecdotal evidence from the Steering Group corroborates this finding was the loss in social rent dwellings likely due to Council homes being sold.

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

Table 4-2: Tenure change (households) in Sporle with Palgrave, 2011-2021

Tenure	2011	2021	% Change
Owned	312	334	7.1%
Shared ownership	3	5	66.7%
Social rented	83	76	-8.4%
Private rented	55	56	1.8%

Sources: Census 2021 and 2011, AECOM Calculations

4.4. Affordability

House prices

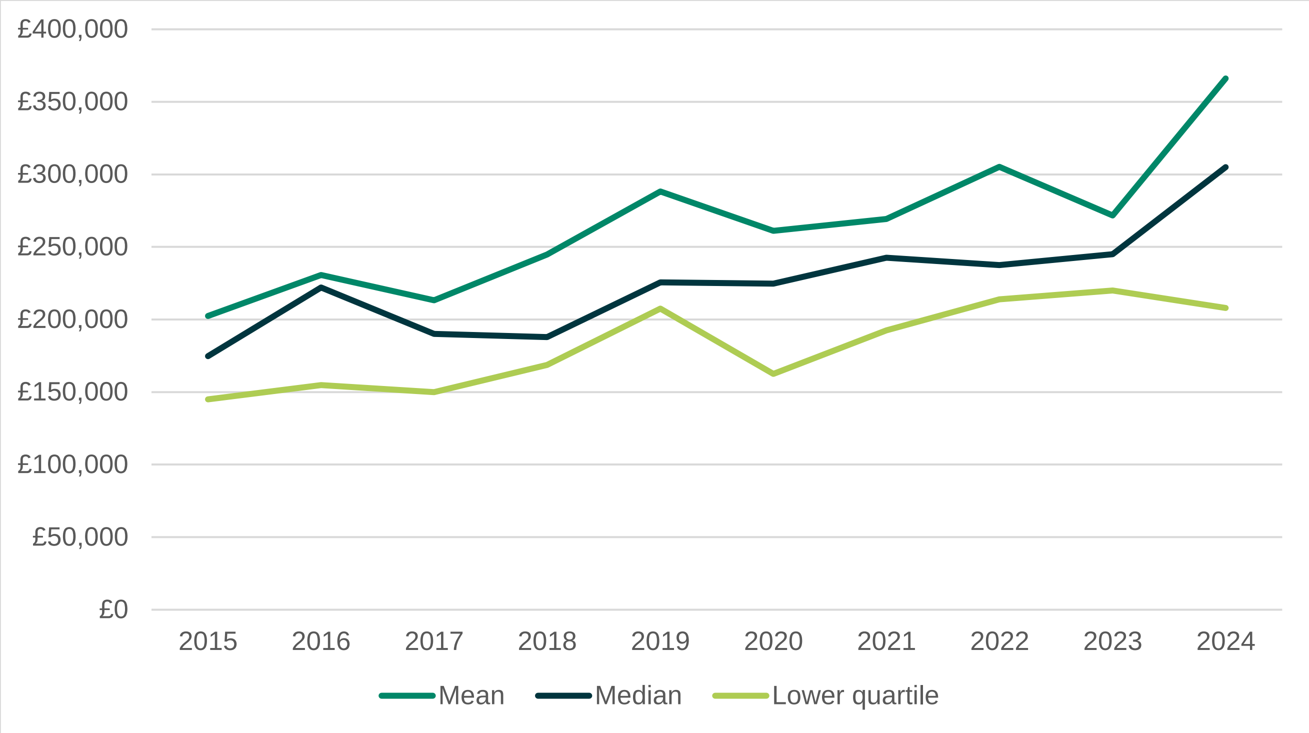
4.4.1. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over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

4.4.2. Figure 4-1 looks at the average and lower quartile house prices in Sporle with Palgrave based on sales price data published by the Land Registry. It shows that house prices have fluctuated over the decade with peaks in 2019, 2022 and 2024. This is explained in part by the fact that small numbers of transactions can strongly affect average prices depending on the properties traded in any particular year. In the NA, there were 191 transactions between 2015 and 2024, equating to an average of 19.1 transactions per year. The largest number of transactions occurred in 2021 with 26 and the lowest number of transactions in both 2023 and 2024, with 13. Notably, 2024 was the year in which house prices reached their peak, being the highest over the decade.

4.4.3. Between 2015 and 2024, the median (the middle number when you sort the data from smallest to largest) house price increased substantially by 74.5% from £174,750 to £305,000. The lower quartile house price (the middle figure of the lowest 50% of prices and a good representation of entry-level housing) increased by 43.5% from £144,988 in 2015 to £208,000 in 2024.

4.4.4. The 2024 median house price in Sporle with Palgrave (£305,000) was 22% greater than the median house price in Breckland (£250,000) in the same year. This suggests that the NA has greater house prices than the LA and may be a particularly high-value area. As detailed in Chapter 5, the NA has a large proportion of detached and semi-detached homes compared to the LA. Furthermore, the NA has a very small proportion of terraced homes and flats. Therefore, the lack of smaller properties in the NA influences overall averages, and may also present affordability challenges.

Figure 4-1: House prices by quartile in Sporle with Palgrave, 2015-2024



Source: Land Registry PPD

4.4.5. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that the greatest growth rate between 2015 and 2024 was in semi-detached house prices at a growth rate of 64.4%and peak of £260,000 in 2022. This was closely followed by detached house prices at 59.5% with a peak of £325,000 in 2023. Although semi-detached house prices experienced the most growth over the decade, detached house prices were the greatest for most years, except from between 2020 and 2022. This suggests that detached homes are the most expensive house type in the NA, as might be expected. Notably, there were no sales of flats over the decade as well as no records of terraced house sales in some years, reflecting the small stock of these house types in the NA.

4.4.6. Some year-on-year price fluctuations can be seen within all categories. This is because the annual average is derived from a small sample size within each category meaning that variation in characteristics outside of the dwelling type, such as the size, location, and condition of the property, have a greater impact on the average.

Table 4-3: Median house prices by type in Sporle with Palgrave, 2015-2024

Type	Detached	Semi-detached	Terraced	Flats	All Types
2015	£191,250	£156,000	£177,000	-	£174,750
2016	£260,250	£145,000	£131,500	-	£222,000
2017	£215,000	£142,000	£200,250	-	£190,000
2018	£298,500	£165,000	£200,000	-	£190,000
2019	£230,000	£220,250	-	-	£188,000
2020	£216,250	£230,000	£222,000	-	£225,500
2021	£300,000	£195,000	£339,950	-	£242,500
2022	£240,000	£260,000	£157,000	-	£237,500
2023	£325,000	£207,000	£153,000	-	£245,000
2024	£305,000	£256,500	-	-	£305,000
Growth	**59.5%**	**64.4%**	**-**	-	**74.5%**

Source: Land Registry PPD

Income

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

4.4.8. 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 £43,400 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.

4.4.9. 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. Breckland's gross individual lower quartile annual earnings were £16,390 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £32,780.

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

Affordability Thresholds

4.4.11. 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 assessed using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.

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

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

4.4.14. The analysis in Table 4-4 does not take account of wealth (beyond savings sufficient for a 10% deposit) or existing housing equity which may provide substantial additional financial resources for many existing home owners. Wealth and equity resources are difficult to measure, particularly at the localized level. Furthermore, the affordability analysis in HNAs is primarily focused on access to different housing options for those entering the market for the first time, either to rent or buy, and developing policies that support those who have difficulty accessing market housing. Nevertheless, many households will have additional resources that are not factored into this analysis. This is particularly the case for older owner occupiers since many own their homes outright, and/or have built up substantial equity in their existing homes over time.

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

Table 4-4: Affordability thresholds in Sporle with Palgrave (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £43,400	Affordable on LQ earnings (single earner)? £16,390	Affordable on LQ earnings (2 earners)? £32,780
Market Housing						
Median House Price	£274,500	-	**£78,429**	No	No	No
Estimated NA New Build Entry-Level House Price	£232,128		**£66,322**	No	No	No
LQ/Entry-level House Price	£187,200	-	**£53,486**	No	No	No
LA New Build Median House Price	£279,000	-	**£79,714**	No	No	No
Average Market Rent (and Rent to Buy)	-	£13,200	**£44,000**	Marginal	No	No
Entry-level Market Rent (and Rent to Buy)	-	£7,800	**£26,000**	Yes	No	Yes
Affordable Home Ownership						
Discounted Market Sale (-20%)	£185,702	-	**£53,058**	No	No	No
First Homes (-30%)	£162,490	-	**£46,426**	Marginal	No	No
First Homes (-40%)	£139,277	-	**£39,793**	Yes	No	No
First Homes (-50%)	£116,064	-	**£33,161**	Yes	No	Marginal
Shared Ownership (50%)	£116,064	£3,224	**£43,908**	Marginal	No	No
Shared Ownership (25%)	£58,032	£4,836	**£32,701**	Yes	No	Yes
Shared Ownership (10%)	£23,213	£5,803	**£25,976**	Yes	No	Yes
Affordable Rented Housing						
Affordable Rent	-	£5,960	**£19,866**	Yes	No	Yes
Social Rent	-	£4,661	**£15,538**	Yes	Yes	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

4.4.17. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 80% higher than the current average.

4.4.18. Private renting (at entry level rents) is generally affordable to households on average incomes and households with two lower quartile earners. Average market rents appear to be in the margins of affordability to households on average incomes. Households made up of one lower quartile earner cannot afford private rents. Affordability may be improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

4.4.19. There is group of households in Sporle with Palgrave who may be able to afford to rent privately but may be able to afford home ownership at a discounted rate. These households may benefit from the range of affordable home ownership products such as Discounted Market Sale, First Homes, Shared Ownership and Rent to Buy.

4.4.20. Discounted Market Sale homes are offered at a discount at least 20% on market prices. First Homes are offered at a discount of at least 30% on market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.

4.4.21. This report has estimated the income required to afford discounts of 20-50% to cover the range of discounts likely to be available on these different products. First Homes appear affordable to households on average incomes if they are delivered at either a 40% or 50% discount. Offering First Homes at a 30% discount would make them within the margin of affordability to households on average incomes but a 40% discount may be more realistic and prudent.

4.4.22. 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. In some case, higher discount levels could create a financial burden on a scheme which leads developers to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be reduced. The latter might put at risk the delivery of Social/ Affordable rented housing which may be an unintended consequence. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the Sporle with Palgrave Steering Group intend to set higher discount levels (eg on First Homes) than that set at district/borough level, further discussions with the LPA are advised.

4.4.23. Shared ownership appears to be more affordable than Discounted Market Sales/ First Homes and is likely to be accessible to more households. The minimum equity share for shared ownership is 10% of the property value.[8] If this is delivered in the NA, it will

[8] 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

make shared ownership easier to access for more households. 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 or discounted market sale products) for those who can afford them.

4.4.24. Rent to Buy provides households with the option to rent at a discount (an intermediate rent at least 20% lower than the market rent) in order that they can save for a deposit to buy their property within a set period. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand this route to home ownership to households on average incomes and households with two lower quartile earners. However, discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, comparable to First Homes and Shared Ownership. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

4.4.25. The range of 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:

- Discounted Market Sale and 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 DMS/First Homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower income 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 likely to be 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.

during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48.

Social and Affordable Rented housing

4.4.26. Social and Affordable Rented housing performs a critical role in supporting households with the most acute housing needs. These households are likely to be on the lowest incomes and unable to afford market housing without subsidy.

4.4.27. 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. In Sporle with Palgrave, affordable rents are approximately 75% of the average entry-level market rents, making them close to the maximum 80%.

4.4.28. Affordable rented housing is generally affordable to households with two lower earners depending on their household size. Households with a single lower earner appear able to afford social rented housing but cannot afford Affordable Rents.

4.4.29. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)[9].

4.4.30. Social Rents are cheaper than Affordable Rents and, in theory, would leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. This is particularly the case for households who are supported by Housing Benefit and subject to the overall benefit cap since their benefit income is limited by the cap and they may not be able to claim enough to cover the Affordable Rent.

4.4.31. Where households are supported by housing benefit and not affected by benefit caps, 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 these households may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

4.4.32. Households who are not supported by benefits, for example those whose earnings are higher and making them ineligible for benefits, would clearly benefit by the lower Social Rent levels because it would reduce their outgoings. However, these households are less likely to be in acute need on housing waiting lists. Rather, this scenario might apply to those already living in Social Rented housing where their financial circumstances have improved.

4.4.33. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data and more detailed evidence in LHNAs. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

[9] National Planning Policy Framework

4.5. Estimates of the need for Affordable Housing

4.5.1. This section estimates the need for Affordable Housing which should be considered separately for Social/ Affordable rented housing and affordable home ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

AECOM Estimates

The Need for Social/Affordable Rented Homes

4.5.2. Breckland Council has provided data indicating that there are 6 households with a current residence in Sporle on the housing waiting list. Two of these households are in gold status (2nd highest of 4 bands) whilst four are in silver status (3rd of 4 bands)[10]. Upon receipt of this data, the Council noted that these figures are not directly comparable with other local authorities as Breckland Council run a tight housing waiting list, only allowing households on the list with a need. Therefore, for these 6 households, rehousing is highly desirable or essential.

4.5.3. AECOM estimate that there is likely to be a surplus of 1.2 social/ affordable rented homes per annum in Sporle with Palgrave, equating to 24.7 over the neighbourhood plan period. The estimate and assumptions used are detailed in Appendix D and summarised in Table 4-5 below. This figure is largely for Social/Affordable rent as it relates to households who live in unsuitable housing and who cannot afford to access market rents.

4.5.4. This result may initially be surprising since there is understood to be a current backlog of need (in the region of 6 households). The reason for the affordable rented housing need being met over the long-term is that model assumes a rate of turnover in the existing stock: of the affordable rented accommodation existing currently, it can be expected that some will come vacant in any given year as their current occupants move to a new location, pass away or cease to be eligible as their circumstances change. Because of the size of the existing stock, this is able to satisfy the projected newly arising need as well as some of the backlog, which is effectively spread out over the 10-year period to produce an annualised figure.

4.5.5. An important caveat to this finding is that the NA may be meeting wider needs within the district. As such, whilst it may be possible to address localised needs through the existing stock, new affordable rented housing may be required to continue to provide homes for households in acute need living elsewhere in the wider area.

4.5.6. 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 not have the number of bedrooms required, may be located in an inappropriate location, or be otherwise unsuitable.

[10] An explanation of the gold and silver status bands can be found at https://www.breckland.gov.uk/article/8375/Breckland-Key-Select

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

Table 4-5: Estimate of need for Affordable Housing for rent in Sporle with Palgrave

Component of need or supply in the AECOM estimate	Per annum
Current need	0.3
Newly arising need	0.8
Supply	2.3
Net surplus	**1.2**

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

The Need for Affordable Home Ownership Homes

4.5.8. Turning to affordable home ownership, AECOM estimate potential demand for 1.5 such dwellings per annum in Sporle with Palgrave, equating to a total of 31.2 over the Neighbourhood Plan period. The estimate and assumptions used is detailed in Appendix D and summarised in Table 4-6.

4.5.9. 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 social/affordable rented housing.

Table 4-6: Estimate of need for Affordable Home Ownership Homes in Sporle with Palgrave

Component of need or supply in the AECOM estimate	Per annum
Current need	1.4
Newly arising need	0.3
Supply	0.3
Net shortfall	**1.5**

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

Evidence in the HEDNA

4.5.10. A Housing and Economic Development Needs Assessment (HEDNA) was undertaken for Breckland in 2024. This study estimates the need for affordable housing in the district taking an account of local housing costs (to both buy and rent) along with estimates of household income. Additionally, when rented needs have been assessed, consideration has been given to the supply of social/ affordable rented housing. In terms of affordable home ownership, consideration is given to the potential supply of resales of low-cost home ownership properties and lower quartile sales of existing homes.

4.5.11. The HEDNA identifies the need for 299 additional affordable rented homes and 29 affordable home ownership dwellings each year in the district. However, the HEDNA suggests that these affordable homes should be provided for in Dereham and surrounds, Swaffham and surrounds, Watton and along the A11 corridor. This indicates that Sporle with Palgrave is not considered a priority location for affordable housing across Breckland and may not be expected to contribute to meeting the District's needs.

Additional evidence of Affordable Housing needs

4.5.12. The HEDNA suggests that there is a need for both social and affordable rented housing with social rents being more affordable and able to benefit a wider range of households. Social rents should therefore be prioritised where delivery does not prejudice the overall delivery of affordable homes.

4.5.13. In terms of affordable home ownership, the HEDNA states that evidence is less conclusive about the scale of need for such homes, although it can be said that it is much lower than the need for rented affordable housing. Evidence suggests that many households in Breckland are being excluded from the owner-occupied sector (as evidenced by increases in the size of the private rented sector). It is likely that a key issue in the district is about access to capital (e.g. for deposits, stamp duty, legal costs) as well as potentially mortgage restrictions (e.g. where employment is temporary) rather than simply the cost of housing to buy (although this will be an important factor for many households).

4.5.14. The HEDNA has assessed there to be a need of 90% social and affordable rent in the district and 10% affordable home ownership. However, as previously noted, the HEDNA suggests that affordable homes should be provided for in Dereham and surrounds, Swaffham and surrounds, Watton and along the A11 corridor. It is worth noting that the HEDNA states that this mix is intended to inform Breckland Council's policy development, with provision in plans advised to be reflective of the Council's priorities and viability of development. Consideration should also be given to NPPF requirements.

4.5.15. Turning to types of affordable home ownership, the HEDNA states that both First Homes and Shared Ownership will have a role to play in supporting households into home ownership. Shared Ownership is likely to be suitable for households with more marginal affordability as it has the advantage of a large deposit and subsidised rent.

4.5.16. The Sporle and Palgrave Neighbourhood Plan Initial Survey Analysis Report (2024) found that when respondents were asked what kind of new homes are needed in the parish most ranked First Homes and affordable housing as being the highest priorities. Flats and self-build homes were the lowest priority. This points to a continued demand for affordable housing within the parish despite it not being a focus for Breckland's development plans.

4.6. Affordable Housing policies in Neighbourhood Plans

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

Application of Local Plan policies

4.6.2. Breckland Council's emerging policy on this subject Policy HOU 24 requires 25% of qualifying housing developments to be affordable, i.e. proposals capable of delivering 10 or more units or has the site area of 0.5 hectares or more. Breckland Council's completions data has not given an indication of how many affordable dwellings have been delivered in the NA over the last decade. Therefore, it is unknown if this emerging Local Plan target is usually met on sites in the NA. However, completions data suggest that there has been minimal development in the NA over the decade, with the most being 6 houses in both 2012/2013 and 2014/2015, developments which are unlikely to qualify under the required target.

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

4.6.4. 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 not specified in Breckland Council's emerging Local Plan. Emerging Local Plan Policy HOU 24 states that the size, mix, type and tenure of affordable homes will meet the identified need in Breckland as established by the HEDNA. As previously noted, the HEDNA has assessed there to be a need of 90% social and affordable rent in the district and 10% affordable home ownership. However, it is worth noting that in terms of affordable housing provision, the HEDNA suggests that affordable homes should be provided for in Dereham and surrounds, Swaffham and surrounds, Watton and along the A11 corridor. On the other hand, Breckland Council's adopted Local Plan Policy HOU 07 requires a tenure split of 70% rented to 30% shared ownership/ intermediate products.

Affordable Housing at Neighbourhood level

4.6.5. 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 Sporle with Palgrave on the basis of identified housing need and a range of other considerations detailed in Appendix D.

4.6.6. The model suggests that there is only a positive long-term need for Affordable Housing for ownership over the plan period, with the stock of social/ affordable rented housing appearing to be sufficient in the NA. It must be noted that affordable home ownership expresses potential demand for a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership. On the other hand, social/ affordable rent expresses the need of a group with acute needs and no alternative options.

4.6.7. Taking the above into consideration, AECOM suggest that in this NA, the mix of social/ affordable rented housing might be 60%, with the remaining 40% delivered as affordable home ownership. This represents a modest change from the headline tenure mix identified within the adopted Local Plan. However, this is a significant difference from the tenure mix established in the HEDNA, although as aforementioned, the HEDNA suggests that affordable housing is provided within a group of identified urban areas.

4.6.8. The evidence of housing need within Sporle with Palgrave suggests that this change in tenure mix could be justified. This is because there is a very clear demand for affordable home ownership in the NA, with it being an expensive area and having a lack of shared ownership dwellings – a product which would offer genuine choice locally. Furthermore, there appears to be a sufficient stock of social/ affordable rented dwellings in the NA with there estimated to be a surplus of such over the neighbourhood plan period. However, it is acknowledged that the NA may be serving a wider strategic role and meeting the needs of other households within the district, and it is worth re-emphasising that Breckland's waiting list is tightly controlled and may underestimate demand to some extent.

4.6.9. AECOM suggest priority is given within the mix of affordable home ownership properties to Shared Ownership as this product at lower shares (10% and 25%) is affordable to households on average incomes and two lower quartile earners. First Homes/ Discounted Market Sales should also be prioritised as these products can offer higher discounts, making them accessible in terms of affordability. If First Homes can be delivered at a 40% discount, they would be affordable to households on average incomes. In the interests of diversity and maximising choice, Rent to Buy could also be offered within the mix, with this product offering an option to households who lack savings or deposits, which may be a key barrier in the NA. Furthermore, Rent to Buy for entry-level properties are affordable to households on average incomes and with two lower quartile earners.

4.6.10. The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF)[11].

4.6.11. On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list

[11] National Planning Policy Framework

data, housing benefit data, more detailed evidence in LHNAs and viability assessments. If the neighbourhood group wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

4.6.12. In this NA, where there is no limited requirement for housing over the adopted plan period, the delivery of Affordable Housing is likely to be very limited unless it can be provided directly e.g. through an exception site which focuses on the provision of Affordable Housing. If small numbers of Affordable Homes do come forward from market led sites, the tenure mix discussed above may need to be different in order to reflect the delivery of small numbers of homes and in response to the site-specific context.

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

4.7. Conclusions- Affordability and Affordable Housing

Current tenure profile

4.7.1. Census data shows that in 2021 home ownership was the most dominant tenure across the NA (70.9%), LA (67%) and England (61.3%). The NA (16.1%) and England (17.1%) had a similar proportion of households who socially rented. The LA (18.2%) and England (20.6%) had a greater proportion of households who lived in private rented dwellings compared to the NA (11.9%). Shared ownership was the least common tenure across the various geographies in 2021.

Affordability

4.7.2. Between 2015 and 2024, house prices in Sporle with Palgrave have fluctuated, with peaks in 2019, 2022 and 2024. Over the decade the median house price increased substantially by 74.5% from £174,750 to £305,000. The 2024 median house price in Sporle with Palgrave (£305,000) was 22% greater than the median house price in Breckland (£250,000), suggesting that the NA has higher house prices than the LA (although this may also reflect a dwelling mix skewed to less dense property types).

4.7.3. Local households on average incomes of £43,400 are unable to access even entry-level homes unless they have the advantage of a very large deposit. Private renting (at entry level rents) is generally affordable to households on average incomes and households with two lower quartile earners. Average market rents appear to be in the margins of affordability to households on average incomes. Households made up of one lower quartile earner cannot afford private rents.

4.7.4. Turning to affordable home ownership, it is recommended that First Homes are delivered at a 40% discount, making them affordable to households on average incomes. Shared ownership appears to be more affordable than Discounted Market

Sales/ First Homes and is likely to be accessible to more households. Rent to Buy for entry-level homes appear affordable to households on average incomes and households with two lower quartile earners. This product may also be useful in meeting the needs of households with little or no savings for a deposit.

4.7.5. Affordable rented housing is generally affordable to households with two lower earners depending on their household size. Households with a single lower earner appear able to afford social rented housing but cannot afford Affordable Rents.

The need for Affordable Housing

4.7.6. AECOM estimates that there may be sufficient Social/ Affordable Rented housing in the NA to meet localised needs over the Neighbourhood plan period. The need for Social/ Affordable Rent largely relates to households who live in unsuitable housing and who cannot afford to access market rents.

4.7.7. On the other hand, AECOM estimate a potential demand for 1.5 affordable home ownership dwellings per annum in the NA, equating to 31.2 over the plan period.

Affordable Housing policy

4.7.8. The emerging Local Plan states that the size, mix, type and tenure of affordable homes will meet the identified need in Breckland as established by the HEDNA. The HEDNA has assessed there to be a need of 90% social and affordable rent in the district and 10% affordable home ownership. However, the provision of affordable housing is suggested to be within a group of identified urban areas. The adopted Local Plan on the other hand requires a tenure split of 70% rented to 30% shared ownership/ intermediate products.

4.7.9. AECOM suggests the NA deviates from these tenure mixes and delivers 60% Social/ Affordable rented housing to 40% affordable home ownership. This suggested mix would allow for the acute needs of households to be met, i.e. by delivering Social/ Affordable rent whilst providing scope for the delivery of affordable home ownership products. Provision of affordable home ownership products such as shared ownership would offer genuine choice in the NA, especially as it is an expensive area which lacks in these products.

4.7.10. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts.

5. Housing Mix: Type and Size

5.1. Introduction

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

5.1.2. This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this section 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 aspirations of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the neighbourhood plan.

5.1.3. This section has three aims, each given its own sub-section:

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

5.1.4. It is important to keep in mind that housing need is not an exact science. To move 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 households tend to live in at different stages of life. However, a variety of other reasons sit behind their housing choices that are less easy to predict, including wealth, accessibility requirements and personal preferences. Some trends can also change rapidly over time, such as the increasing preference for home working in some sectors of the economy.

5.1.5. The analysis and conclusions provided in this section are therefore not definitive. Rather, they are what the data 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 where appropriate.

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.

5.2. The current housing mix

5.2.1. This section establishes the current housing mix of Sporle with Palgrave, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

5.2.2. Table 5-1 below shows a comparison of the current mix in the NA against wider benchmarks. It shows that the NA had by far the greatest proportion of households living in detached dwellings at 58.3% compared to the LA and England at 46.8% and 22.9% respectively. Across the geographies there were a similar proportion of households living in semi-detached dwellings.

5.2.3. It should be noted that Census data does not count bungalows as a separate category, instead including this dwelling type within other categories (mainly detached and semi-detached). Valuation Office Agency (VOA) data counts bungalows as a separate category, although at a slightly larger scale than the NA (see Appendix A). In 2023, 55.1% of the dwellings within the area providing a proxy for the NA were bungalows, which was much greater than the proportions found across the LA (24.4%) and England (9.1%). These are likely to account for the significant number of the detached and semi-detached dwellings noted in Table 5-1 and 5-2, and may be linked to the demographic profile of the area discussed further below.

5.2.4. There was a very small proportion of households living in flats in the NA at 0.6% despite 7% of households living in this dwelling type in the LA and 22.2% nationally. The same can be said for terraced dwellings with only 6.9% of households living in this dwelling type compared to 16% in the LA and 23% nationally. This indicates that the NA has a small stock of these generally more affordable dwelling types.

5.2.5. This finding is in conformity with the data found in Chapter 4 which shows that there were no records of sales of flats as well as no records of terraced house sales in some years in the NA between 2015-2024.

Table 5-1: Accommodation type, Sporle with Palgrave and comparator geographies, 2021

Type	Sporle with Palgrave	Breckland	England
Detached	58.3%	46.8%	22.9%
Semi-detached	34.1%	29.7%	31.5%
Terrace	6.9%	16.0%	23.0%
Flat	0.6%	7.0%	22.2%

Source: Census 2021, AECOM Calculations

5.2.6. Table 5-2[12] looks at the change between the dwelling type mix in the NA between 2011 and 2021. In both years the greatest proportion of households lived in detached dwellings, with this being 53.4% in 2011 and slightly increasing to 58.3% in 2021. A large proportion of households also lived in semi-detached dwellings in both years, however, this proportion slightly decreased by 3.3% over the decade. Fewer households lived in flats and terraced dwellings in both years, with the proportion of such slightly increasing in 2021 by 6.9% for terraced dwellings and 0.6% for flats.

Table 5-2: Accommodation type, Sporle with Palgrave, 2011-2021

Type	2011	%	2021	%
Detached	254	53.4%	277	58.3%
Semi-detached	178	37.4%	162	34.1%
Terrace	37	7.8%	33	6.9%
Flat	6	1.3%	3	0.6%
Total	476	100.0%	475	100.0%

Source: ONS 2021 and 2011, AECOM Calculations

Dwelling size

5.2.7. Table 5-3 below presents the current housing mix in terms of size compared to the wider local authority and country. It shows that the NA, LA and England generally had a similar size mix in 2021. The table also shows that a large proportion of households live in mid-sized 3-bedroom dwellings across the various geographies, whilst a small proportion of households live in smaller 1-bedroom dwellings.

[12] This table indicates a decrease in the total dwellings between 2011 and 2021. However, it is worth noting that there has been a change in how the Census captures data, In 2011 the total aligned with the number of households whilst in 2021 it aligned with the number of dwellings. Therefore, the more precise methodology used in the 2021 Census might make it appear as if the dwelling total has decreased.

Table 5-3: Dwelling size (bedrooms), Sporle with Palgrave and comparator geographies, 2021

Number of bedrooms	Sporle with Palgrave	Breckland	England
1	3.1%	6.8%	11.6%
2	33.1%	26.1%	27.3%
3	43.3%	43.4%	40.0%
4+	20.4%	23.7%	21.1%

Source: Census 2021, AECOM Calculations

5.2.8. Table 5-4 shows the dwelling size mix in Sporle with Palgrave across the decade. From this table it can be seen that the proportional mix generally remained the same in 2011 and 2021, despite some increases and decreases in the dwelling six mix. In both years the greatest proportion of households lived in mid-sized 3-bedroom dwellings, with this accounting for 42.2% of households in 2011 and 43.3% in 2021. A large proportion of households also lived in 2-bedroom dwellings at 36% in 2011 and 33.1% in 2021. Fewer households lived in 1-bedroom dwellings in both years, with this being 4.6% in 2011 and 3.1% in 2021.

5.2.9. The results in Table 5-3 and 5-4 show that the NA has a small stock of small 1-bedroom dwellings, which can have an impact on affordability. However, the availability of a variety of dwelling sizes, particularly larger homes may make the NA an attractive destination for families.

Table 5-4: Dwelling size (bedrooms), Sporle with Palgrave, 2011-2021

Number of bedrooms	2011	%	2021	%
1	21	4.6%	15	3.1%
2	163	36.0%	159	33.1%
3	191	42.2%	208	43.3%
4+	78	17.2%	98	20.4%
Total	453	100.0%	480	100.0%

Source: ONS 2021 and 2011, AECOM Calculations

5.3. Population characteristics

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

Age

5.3.2. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. It shows that between 2011 and 2021 the overall population in Sporle with Palgrave increased slightly by 2.6%. The proportion of people aged 0-14 and 15-24 decreased the most over the decade by 21.1% and 16.7%. The number of those aged 25-44 (3.9%) and 45-64 (0.9%) decreased slightly over this same period. The older population, consisting of groups age 65-88 and 85+ were the only cohorts to have grown over the decade, with increases of 33%. In both years the greatest proportion of the population were aged 45-64, followed by 65-84. These results reflect the ageing population in the NA.

Table 5-5: Age structure of Sporle with Palgrave, 2011 and 2021

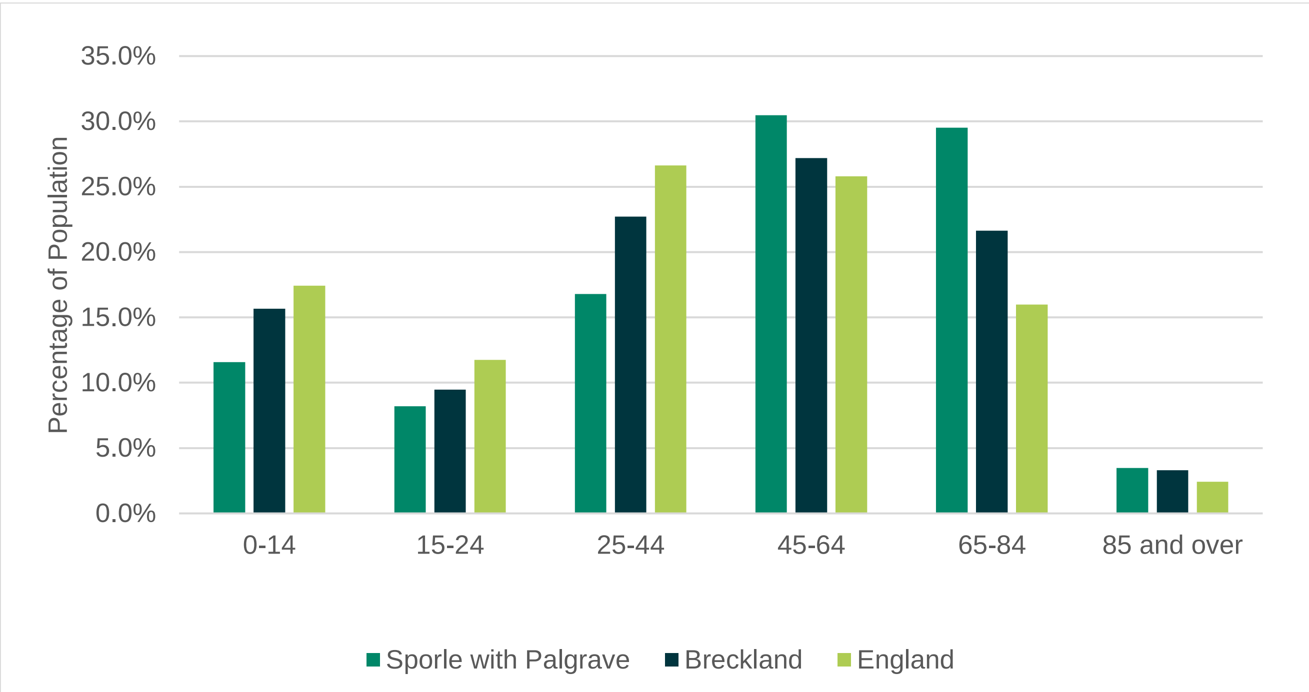
Age group	2011 (Census)		2021 (Census)		Change
0-14	152	15.0%	120	11.6%	-21.1%
15-24	102	10.1%	85	8.2%	-16.7%
25-44	181	17.9%	174	16.8%	-3.9%
45-64	319	31.6%	316	30.5%	-0.9%
65-84	230	22.7%	306	29.5%	33.0%
85 and over	27	2.7%	36	3.5%	33.3%
Total	1011	100.0%	1037	100.0%	2.6%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.3.3. When comparing the population change of the NA from 2011-2021 to the LA, it can be said that the NA aligns with the LA in terms of having an increasingly ageing population – although this trend is more marked in the NA. Between 2011 and 2021 across Breckland the 65-84 and 85+ age groups increased by 26.2% and 21% respectively. In contrast to the NA, all other age groups have experienced growth in the LA over the decade, except those aged 15-24, the number of which decreased by 10.3%.

5.3.4. For context, it is useful to look at the NA population structure alongside that of the district and country. Figure 5-1 (using 2021 Census data) shows that the NA had a greater proportion of middle-aged adults (45-64) and older people (65-84 and 85+) compared to the district and England. In contrast, the population nationally consisted of more children (0-14) and young adults (15-24 and 25-44) compared to the NA and district.

Figure 5-1: Age structure in Sporle with Palgrave, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

5.3.5. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that the NA (29.4%), LA (27.4%) and England (30.1%) had a similar proportion of single person households. The NA had the greatest proportion of households aged 66 and over for both single person (16.6%) and family households (18.7%). Within the family category, the NA and LA had a similar proportion of households with no children at 19.9% and 20.1%. Nationally, there was a greater proportion of dependent children at 25.8%, slightly greater than the LA at 22.8% and much greater than the NA at 14.5%. In contrast, the NA (12.8%) had a slightly greater proportion of non-dependent children compared to the LA (9.8%) and England (10.5%). This suggests that the population of young families is relatively low in Sporle with Palgrave, and that many of the children who do exist are now older and may be looking to form their own households.

5.3.6. Between 2011 and 2021 there was an increase in the proportion of family households aged 65/66[13] and over (mostly older couples) in the NA at 34.8%. In comparison, this group increased by 27% across the district and only 8.4% nationally. This indicates that the population of the NA is ageing particularly fast. Furthermore, the proportion of households with dependent children decreased by 31% in the NA, whereas the proportion increased slightly by 0.5% in the district and 0.9% nationally.

5.3.7. It is worth nothing that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. It is interesting to observe that this category grew by 32.6% in the NA –a faster rate than the district average of 21.9% and much faster than the national average of 3.5%. However, it is also worth noting that another potential reason for this increase in non-dependent children is the timing of the 2021 Census when many students returned home from University due to a national lockdown.

[13] The 2011 Census counts households aged 65 and over whilst the 2021 Census counts households aged 66 and over.

Table 5-6: Household composition, Sporle with Palgrave, 2021

Household composition		NA	LA	England
One person household	**Total**	**29.4%**	**27.4%**	**30.1%**
	Aged 66 and over	16.6%	14.4%	12.8%
	Other	12.8%	13.0%	17.3%
One family only	**Total**	**66.0%**	**67.1%**	**63.1%**
	All aged 66 and over	18.7%	13.8%	9.2%
	With no children	19.9%	20.1%	16.8%
	With dependent children	14.5%	22.8%	25.8%
	With non-dependent children[14]	12.8%	9.8%	10.5%
Other household types	**Total**	**4.6%**	**5.5%**	**6.9%**

Source: ONS 2021, AECOM Calculations

5.3.8. 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.

5.3.9. Under-occupancy is relatively common in the NA with the majority of households (82.8%) living in a dwelling with 1 or 2 extra bedrooms compared to their household size. This is most prevalent in households with families under 66 with no children, with 100% of these households being under-occupied. The proportion of family households aged 66+ (98.8%), single person households aged 66+ (96.2%) and single person households under 66 (86.9%) also appear to be highly under-occupied with many of these households having 2 extra bedrooms. This is a common pattern across the country and reflects a pattern that larger housing is not necessarily being occupied by the largest households but by households with higher income or wealth, enabling them to afford more space than they need, or by older households who have not chosen or been able to move to smaller properties.

5.3.10. A small number of family households under 66 with dependent children (2.9%) and with adult children (5.1%) are living in overcrowded homes. This is indicated by a rating of -1 in Table 5-7 below. Although this is a small proportion, it still provides a further indicator of acute need amongst some households in the NA.

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

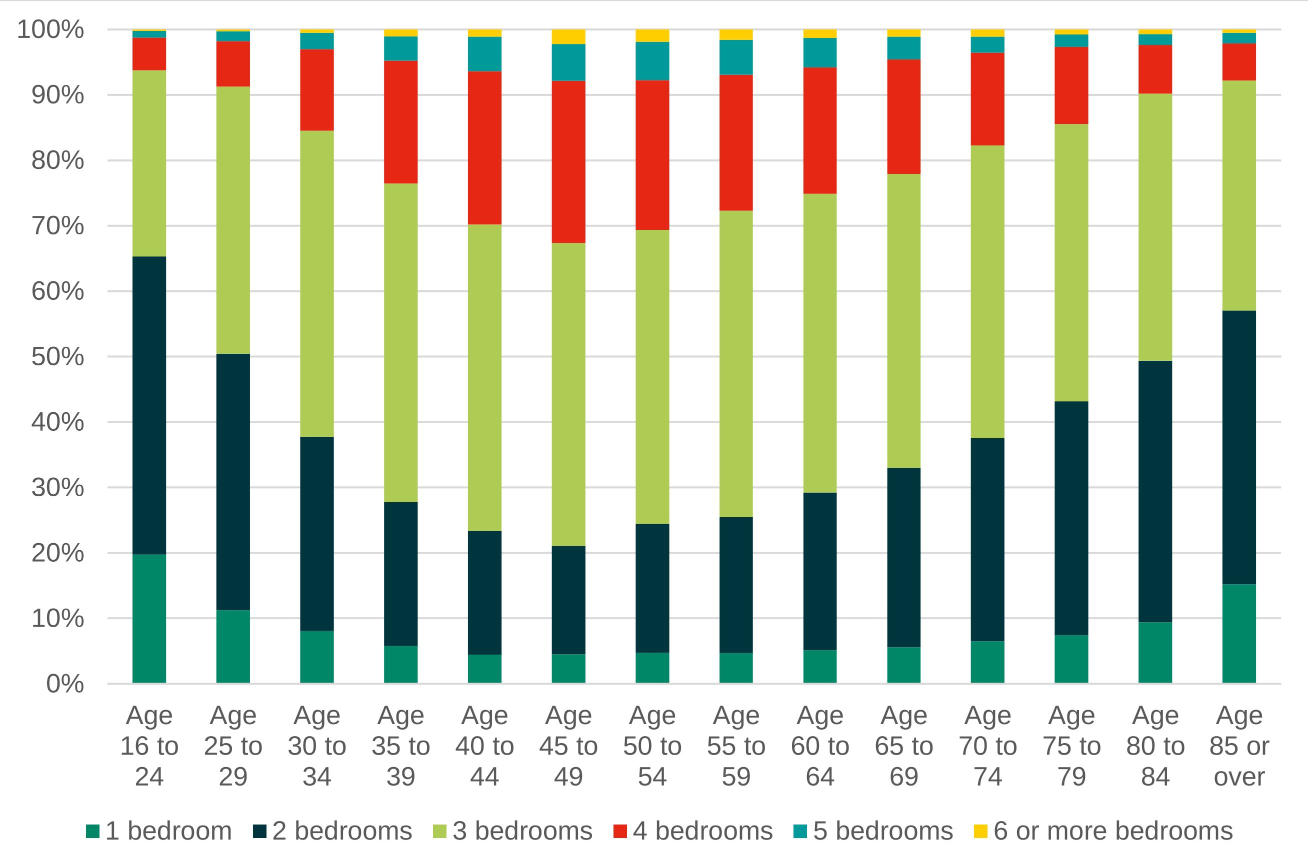
Table 5-7: Occupancy rating by age in Sporle with Palgrave, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	68.7%	30.1%	1.2%	0.0%
Single person 66+	48.1%	48.1%	3.7%	0.0%
Family under 66 - no children	66.3%	33.7%	0.0%	0.0%
Family under 66 - dependent children	14.7%	25.0%	57.4%	2.9%
Family under 66 - adult children	16.9%	55.9%	22.0%	5.1%
Single person under 66	32.8%	54.1%	13.1%	0.0%
All households	43.3%	39.5%	15.4%	1.7%

Source: Census 2021, AECOM Calculations

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

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



Source: ONS 2011, AECOM Calculations

5.4. Future population and size needs

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

Age

5.4.2. The result of applying Local Authority level household projections to the age profile of Sporle with Palgrave households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to continue to be driven by the oldest households, with the proportion of households with a reference person aged 65 and over projected to nearly double from 2011 to 2046. Households with a reference person aged 55-64 are projected to increase by 22% over this same period. In contrast, all younger age groups are projected to see more minimal increases.

Table 5-8: Projected age of households, Sporle with Palgrave, 2011 - 2046

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	11	33	146	90	173
2046	9	36	151	110	338
% change 2011-2046	~	10%	3%	22%	96%

Source: AECOM Calculations

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

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

5.4.5. The result of this exercise is presented in Table 5-9. It suggests that future housing delivery should be particularly focused on mid-sized 3-bedroom dwellings, with continued provision of both smaller and larger dwellings. In essence, the modelling suggests that there is a need for all sizes of dwellings, however, demographic trends, occupancy ratings and the existing stock would point to the prioritisation of smaller and mid-sized homes.

Table 5-9: Suggested dwelling size mix to 2046, Sporle with Palgrave

Number of bedrooms	Current mix (2021)	Suggested mix (end of Plan period)	Balance of new housing to reach suggested mix	Indicative policy range
1	3.1%	7.1%	18.7%	10-20%
2	33.1%	28.8%	16.2%	10-20%
3	43.3%	43.9%	45.5%	40-50%
4+	20.4%	20.2%	19.6%	15-25%

Source: AECOM Calculations

5.4.6. 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 preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.
- Continuing to provide smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether large numbers of 1 bedroom homes are suitable given the area's character, current density, stock and need for mid-sized homes.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Neighbourhood Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if they existing stock of larger homes is sufficiently affordable.
- The Sporle and Palgrave Neighbourhood Plan Initial Survey Analysis Report (2024) found that 91% of respondents felt that the Neighbourhood Plan should have policy guidance on the size and type of new homes to be built in the NA. The report also found that when respondents were asked what size of homes they think are needed in the NA, the majority ranked 3-bedroom homes as the highest priority, followed by 2-bedroom homes. Dwellings with 5+ bedrooms were ranked as the lowest priority.

Tenure

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

5.4.8. Generally speaking, the size mix estimated as needed within affordable tenures, particularly Affordable and Social rent, is smaller than the size mix of market housing. This is because under local authority allocation policies, which reflect the shortage of Affordable Housing overall, households are only eligible for the minimum sized home that meets their needs. This means that single people and couples will generally only be entitled to one bedroom properties. Families with two young children are only likely to be eligible for two bedroom properties (with the expectation that children share rooms until a certain age). In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.

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

- Breckland's HEDNA (2024) gives a recommendation for the strategic mix of homes. This mix is displayed in Table 5-10 where it can be seen that the overall greatest need is for 2-bedroom dwellings (35% to 45%). There also appears to be a large need for 3-bedroom dwellings across the tenures (20% to 35%). There is a varying degree of need across the other dwelling sizes with there being a greater need for smaller 1-bedroom affordable dwellings at 20% to 35% compared to 5% for market housing. In contrast, there is a lesser need for larger 4+ bedroom dwellings for affordable homes (5% to 10%) compared to market housing (20%).

Table 5-10: Suggested housing mix in Breckland

	1-bedroom	2-bedrooms	3-bedrooms	4+ bedrooms
Market	5%	40%	35%	20%
Affordable home ownership	20%	45%	30%	5%
Affordable housing (rented)	35%	35%	20%	10%

Source: Breckland HEDNA, 2024

- 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. There are 6 households on Breckland's housing waiting list in Sporle with Palgrave. Of these, two households are in need of a 1-bedroom dwelling, a further two households are in need of a 2-bedroom dwelling, whilst only one household is in need of a 3-bedroom dwelling with the same said for a 4-bedroom dwelling.

5.4.10. 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 to reflect the eligibility of those on the waiting list, while market homes focus on mid-sized homes and some larger options.

That said, there is often acute pressure on larger Social/Affordable Rented homes because their availability through lettings is often limited. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

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

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

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

5.4.14. 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 Sporle with Palgrave Steering Group and community to consider.

5.5. Conclusions- Type and Size

The current housing mix

5.5.1. Census data shows that the NA had the greatest proportion of households living in detached dwellings (58.3%) compared to Breckland (46.8%) and England (22.9%). Across geographies there were a similar proportion of households living in semi-detached dwellings. VOA data shows that in 2023, 55.1% of the dwellings within the NA (proxy area) were bungalows, which was much greater than the proportions found across the Local Authority (LA) (24.4%) and England (9.1%). These are likely to account for the significant number of the detached and semi-detached dwellings noted in the Census data. There was a small proportion of households living in flats and terraced dwellings in the NA compared to the LA and England.

5.5.2. In terms of dwelling size, the NA generally had a similar size mix to the LA and England in 2021. Across these geographies, most households live in mid-sized 3-bedroom dwellings, whilst a small proportion of households live in smaller 1-bedroom dwellings.

5.5.3. The proportional mix in dwelling sizes across the NA has generally remained the same in 2011 and 2021, despite some increases and decreases in the dwelling size mix.

Population characteristics

5.5.4. Between 2011 and 2021 the overall population in Sporle with Palgrave increased slightly by 2.6%. The proportion of people aged 0-14 and 15-24 decreased the most over the decade by 21.1% and 16.7%. The number of those aged 25-44 (3.9%) and 45-64 (0.9%) decreased slightly over this same period. The older population, consisting of age groups 65-88 (33%) and 85+ (33.3%) were the only age groups to experience growth over the decade. In both years the greatest proportion of the population were aged 45-64, followed by 65-84. These results reflect the clear ageing of the NA population. Furthermore, as previously noted, the NA has a large number of bungalows, which may make it a popular destination for older people.

5.5.5. The composition of Sporle with Palgrave's households (in terms of people, their age, and their relationships to one another) has some similarities and differences to the composition found in the district and England. The NA (29.4%), LA (27.4%) and England (30.1%) had a similar proportion of single person households. When looking at the household composition groups, the NA had the greatest proportion of households aged 66 and over for both single person (16.6%) and family households (18.7%). The NA (19.9%) and LA (20.1%) had a similar proportion of households with no children. Nationally, there was a greater proportion of dependent children at 25.8%, slightly greater than the LA at 22.8% and much greater than the NA at 14.5%. In contrast, the NA (12.8%) had a slightly greater proportion of non-dependent children compared to the LA (9.8%) and England (10.5%). This suggests that the population of young families is relatively low in Sporle with Palgrave, and that many of the children who do exist are now older and may be looking to form their own households.

5.5.6. Between 2011 and 2021 there was an increase in the proportion of family households aged 65/66 and over in the NA at 34.8%. In comparison, this group increased by 27% across the district and only 8.4% nationally. This indicates that the population within the NA and LA is ageing faster compared to national levels. Linked to this, the proportion of households with dependent children decreased by 31% in the NA, whereas the proportion increased slightly by 0.5% in the district and 0.9% nationally. The proportion of non-dependent children increased by 32.6% in the NA, a faster rate than the district average of 21.9% and much faster rate than the national average of 3.5%. This increase suggests that there may be affordability challenges in the NA but could also be attributed to the Census being completed during a national lockdown when many students returned home from university.

5.5.7. Under-occupancy is relatively common in the NA. In 2021, 82.8% of households lived in a dwelling with 1 or 2 extra bedrooms compared to their household size. This is most prevalent in households with families under 66 with no children, with 100% of these households being under-occupied. The proportion of family households aged 66+ (98.8%), single person households aged 66+ (96.2%) and single person households under 66 (86.9%) appear to be particularly under-occupied. A small number of family households under 66 with dependent children (2.9%) and with adult children (5.1%) are living in overcrowded homes. Although this is a small proportion, it still provides an indicator of potentially acute need amongst some households in the NA.

Future population and size needs

5.5.8. The number of households with a household reference person aged 65 and over is projected to nearly double from 2011 to 2046 (increase of 96%). Households with a reference person aged 55-64 are projected to increase by 22% over this same period. In contrast, all younger age groups are projected to experience very minimal growth.

5.5.9. 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 future housing delivery should be particularly focused on mid-sized 3-bedroom dwellings, with continued provision of both smaller and larger dwellings. This suggestion aligns with the Sporle and Palgrave Neighbourhood Plan Initial Survey Analysis Report (2024), which found that respondents felt that 3-bedroom homes were the highest priority dwelling size in the NA. The HEDNA on the other hand suggests that the greatest need is for 2-bedroom dwellings.

5.5.10. If current trends persist, and the goal is to accommodate the demographic shift of an ageing population, then future housing delivery in Sporle with Palgrave should prioritise the provision of dwellings which would be appropriate to accommodate this population. However, if the Steering Group wish to provide housing which would encourage young people and families, a more varied and affordable mix of housing may be appropriate.

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

6. Next Steps

6.1. Recommendations for next steps

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

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

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

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

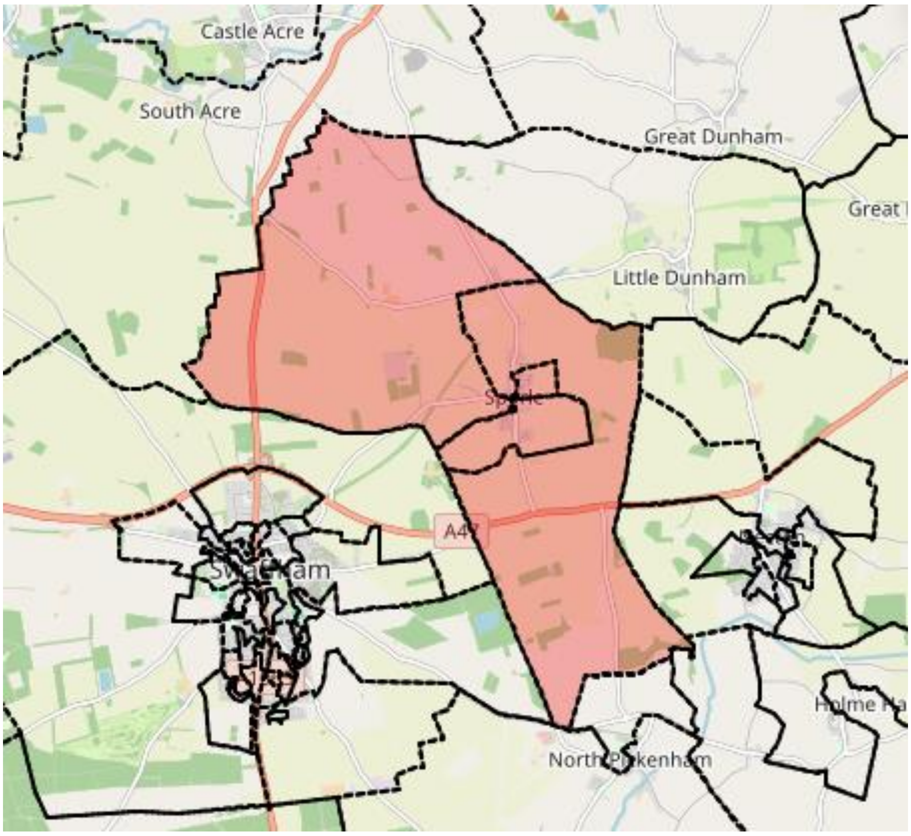
6.1.4. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Assessment geography

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

- E00134383;
- E00134384;
- E00134385; and
- E00134386.

Figure A-1: Map of OAs making up Acle NA

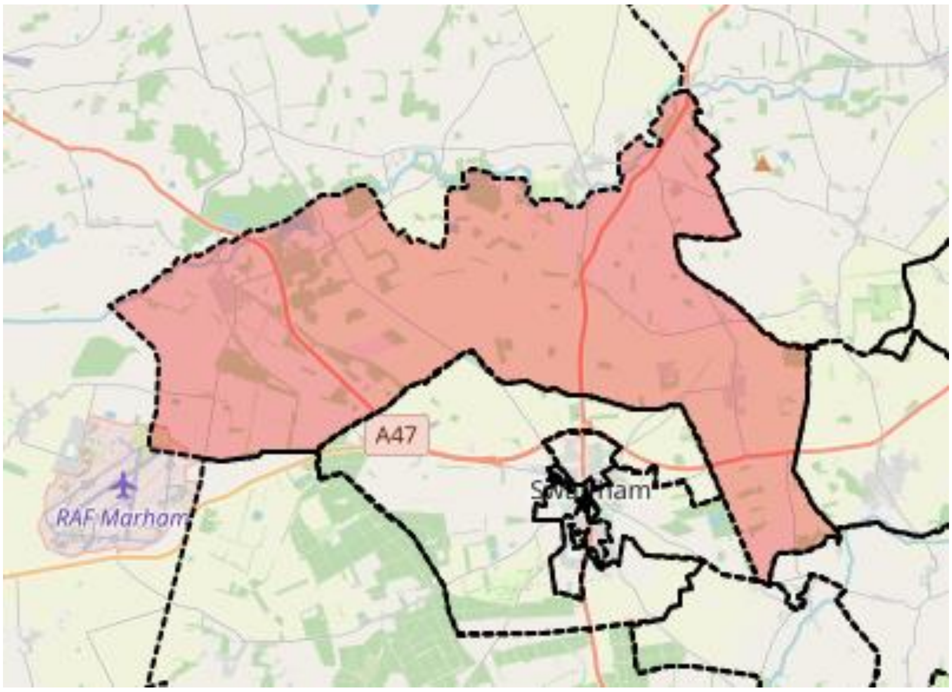


Source: NOMIS

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

- E01026445.

Figure A-2: Map of LSOA for VOA Data

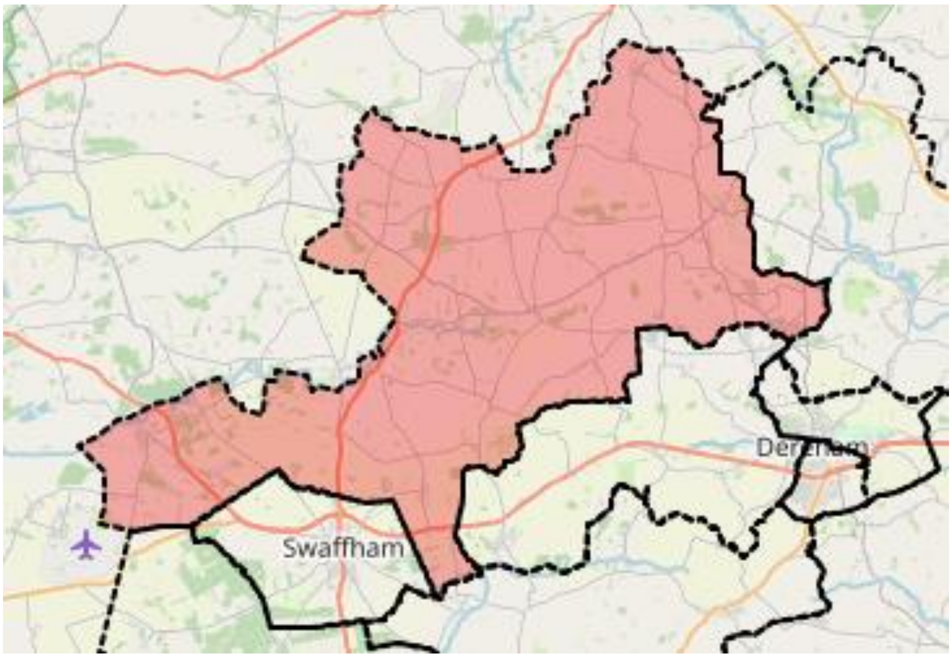


Source: NOMIS

A.3 Finally, as noted in the analysis of affordability in the main body of the report, household income data for small areas is only provided down to the scale of MSOAs. The relevant MSOA, in which the NA is located, and which will need to serve as a proxy for it, is:

- E02005504.

Figure A-3: Map of MSOA for Income Data



Source: NOMIS

Appendix B : Local Plan context

Policies in the adopted local plan

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

Table B-1: Summary of relevant adopted policies in the adopted Breckland Council Local Plan

Policy	Provisions
GEN 03 – Settlement Hierarchy	Most new development needs will be met through the proposed sustainable settlement hierarchy. Sporle is designated as a Local Service Centre. The strategy in relation to areas outside the development hierarchy, i.e. Great Palgrave, will be set out in other Plan policies.
Policy HOU 01 – Development Requirements (Minimum)	To enable the district to meet future housing needs, the Local Plan will provide for no less than 15,298 new homes between 2011 and 2036, an average of 612 dwellings per annum.
Policy HOU 2 – Level and Location of Growth	For Local Service Centres, it has been assumed that each settlement will see new allocations at a level broadly equivalent to 10% of the estimated number of households from a base date of 2011. From April 2011 to March 2018, there were 19 completions and 18 commitments in Sporle. A total of 35 allocations are proposed in the Local Plan. Therefore, an additional 72 dwellings will be provided for to 2036.
Policy HOU 03 – Development Outside of the Boundaries of Local Service Centres	Development outside of the boundaries of the Local Service Centres (i.e. Great Palgrave) will normally be resisted where the Local Plan housing target (as set out in Policy HOU 2) is provided for unless supported by other policies within the Local Plan. Where the Local Plan does not identify sufficient sites to achieve the housing target, then further development will be allowed subject to being supported by relevant policies within the Development Plan and meeting all of the following criteria: 1. It is immediately adjacent to the settlement boundary; 2. It would not lead to the number of dwellings in the settlement significantly exceeding the identified housing target;

Policy	Provisions
	3. The design contributes to conserving, and where possible, enhance the historic nature and connectivity of communities; and 4. The development avoids coalescence of settlements. Opportunities for self-build dwellings which meet the criteria set out above will be supported.
Policy HOU 06 – Principle of New Housing	The design and layout will optimise the density of new developments to a level which is appropriate and justified for the locality. Higher density proposals will be sought at appropriate locations, including town centres, areas with good public transport accessibility and sustainable urban extensions. In rural locations and at the edges of settlements proposals for lower density development will be supported where it can be demonstrated that this is justified having regard to local character and wider sustainability issues. Proposals for housing must take appropriate account of need identified in the most up to date SHMA with particular regard to size, type and tenure of dwellings. These needs include appropriate provision for all groups in the community.
Policy HOU 07 – Affordable Housing	• Residential development proposals capable of delivering 10 or more units, or the site has an area of 0.5 hectares or more will be expected to deliver a proportion of the development as affordable housing on-site to help meet existing and future affordable housing needs of the District as set out in the current Central Norfolk SHMA. • 25% of qualifying developments should be affordable housing. • The size, mix, type and tenure of affordable homes will meet the identified housing need of Breckland as established by the SHMA and agreed by the Council, currently a tenure split of 70:30 rented to shared ownership/ intermediate products. • The affordable housing should be provided on site. • The affordable rented housing provided on-site should be maintained as affordable housing in perpetuity. • The Council will seek for affordable housing to be distributed across a development as single units or small clusters, rather than in a single area. • An open book viability assessment will be required where schemes do not meet the above points.

Policy	Provisions
Sporle Housing Allocation 1 – Land to the north of Essex Farm (LP[902]005)	Land amounting to approximately 2.1 hectares is allocated for a residential development of at least 35 dwellings. The provision of open space is required for with other Plan policies (ENV 04).

Source: Breckland Council

Policies in the emerging local plan

B.2 Table B-1 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Sporle with Palgrave.

Table B-1: Summary of relevant adopted policies in the emerging Breckland Council Local Plan

Policy	Provisions
GEN 02: Settlement Hierarchy and Spatial Development Strategy	Development appropriate to the scale and role of service centres is supported and approximately 14% of new housing development is directed to local service centres. Sporle is designated as a local service centre. Settlements not designated fall within the 'Smaller Village' category. (Great Palgrave has not been designated). These settlements are included within the definition of open countryside where proposals for development will not be considered appropriate. However, minor proposals for new housing that address local need may be considered acceptable. In total capacity smaller villages could provide 5% of new housing development. NB: A number of Smaller Villages have been identified within other Plan policies, Great Palgrave is not one of these.
HOU 01: Breckland's Housing Requirement	To enable the District to meet future housing needs, the Local Plan sets a minimum requirement for delivery of at least 16,525 new homes between 1 April 2021 and 31 March 2046, to ensure an average minimum provision of 661 dwellings per annum.
HOU 2: Distribution of Housing Development	This policy outlines the spatial distribution of development over the period 2021/22 to 2045/46 across Breckland to each settlement and strategic site. To meet the local housing requirement, sites are allocated within the Local Plan to give an overall supply of 15,480 dwellings. Further dwellings are expected to be allocated following the completion of assessments. A total of 11,031 dwellings have been built or benefit from planning permission.

Policy	Provisions
	In Sporle, 82 dwellings have been built or committed within this period (2021-2046). No new allocation has been given for Sporle.
HOU 8: Affordable Housing Exception Sites	On sites outside but adjacent to defined settlements where residential development would not normally be appropriate, the Council will support affordable led housing exception sites. In the Market Towns, Local Service Centres and Secondary Villages exception sites will be supported where they meet identified affordable housing needs across the whole of Breckland District. The Council will in particular support and assist in the delivery of proposals for affordable housing that are brought forward by a legitimate community group such as a Parish Council or Community Land Trust and the scheme has general community support, with evidence of meaningful public engagement.
HOU 21: Securing a Mix of Housing	The Council will require proposals for residential development to include a mix of market housing which contributes towards a balance of house types and sizes across the District in accordance with the latest HEDNA. The mix of housing should take account of the prevailing character of the area by providing for a form of development which is complimentary to the local area.
HOU 24: Affordable Housing	Residential development proposals capable of delivering 10 or more units, or the site has an area of 0.5 hectares of more will be expected to deliver a proportion of the development as affordable housing on site to help meet existing and future affordable housing needs of the District as set out in the HEDNA; a. 25% of qualifying developments should be affordable housing; b. The size, mix, type, and tenure of affordable homes as defined in national policy, will meet the identified housing need of Breckland as established by the HEDNA and agreed by Breckland District Council; what rented/ ownership/ social rent etc; c. The affordable housing should be provided on site; d. The affordable rented housing provided on site should be maintained as affordable housing in perpetuity; e. The Council will seek for affordable housing to be distributed across a development as single units or small clusters, rather than in a single area; and

Policy	Provisions
	f. The applicant will be required to submit an open book viability assessment where schemes do not meet the above policy requirements.

Source: Breckland Council

Appendix C : Affordability calculations

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

Market housing

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

Market sales

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

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

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

- Value of a median NA house price (2024) = £305,000;
- Purchase deposit at 10% of value = £30,500;
- Value of dwelling for mortgage purposes = £274,500;
- Divided by loan to income ratio of 3.5 = purchase threshold of £78,429.

C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2024 was £208,000, and the purchase threshold is therefore £53,486.

C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry recorded no sales of new build properties in the NA in 2024. Therefore, there were no recent sales in the NA specifically to determine an accurate average for the cost of new build housing in Sporle with Palgrave. It is, however, important to understand the likely cost of new housing because new housing is where the Neighbourhood Plan has most influence and is the appropriate benchmark for understanding the costs of affordable home ownership tenures (considered below).

C.8 Therefore, an estimate has been calculated by determining the uplift between all house prices in 2024 across Breckland and new build house prices in 2024 in the same area. This percentage uplift (or ‘new build premium’) is then applied to the 2024 lower quartile house price in the NA to give an estimated NA new build entry-level house price of £257,920 and purchase threshold of £66,322.

C.9 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Breckland in 2024. The median cost of new build dwellings in Breckland was £310,000, with a purchase threshold of £79,714.

Private Rented Sector (PRS)

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

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

C.12 The property website Rightmove.co.uk shows rental values for property in the Neighbourhood Area. The best available data is derived from properties available for rent within a 3 mile radius of Sporle with Palgrave, which covers a larger area than the Plan area itself but can be used as a reasonable proxy for it. Moreover, because it forms a larger geography with a greater number of rental properties offered, the larger sample size is likely to generate more robust findings.

Figure C-1: Map of Rental Properties within the Surrounding Area of the NA

C.13 According to Rightmove.co.uk, there were 13 properties for rent at the time of search in January 2025, with an average (median) monthly rent of £1,100. There were 5 1-2 bed properties listed, with an average (median) price of £650 per calendar month.

C.14 The calculation for the private rent income threshold for entry-level (1-2 bedroom) dwellings is as follows:

- Annual rent = £650 x 12 = £7,800;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £26,000.

C.15 The calculation is repeated for the overall average to give an income threshold of £44,000.

Affordable Housing

C.16 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2024: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The First Homes product was introduced in 2021 but is not included in the NPPF Annex 2 definitions. Each of the affordable housing tenures are considered below.

Social rent

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

C.18 To determine social rent levels, 2021 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 Sporle with Palgrave. This data provides information about rents and the size and type of stock owned and managed by private registered providers and local authorities and is presented for Breckland in Table C-1.

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

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£74.22	£87.81	£94.71	£103.29	**£89.64**
Annual average	£3,859	£4,566	£4,925	£5,371	**£4,661**
Income needed	£12,865	£15,220	£16,416	£17,904	**£15,538**

Source: Homes England, AECOM Calculations

Affordable rent

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

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

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

C.23 Comparing this result with the average 1-2 bedroom annual private rent above indicates that affordable rents in the NA are approximately 75% of market rates, close to the maximum 80.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£93.59	£115.38	£131.54	£152.05	**£114.61**
Annual average	£4,867	£6,000	£6,840	£7,907	**£5,960**
Income needed	£16,222	£19,999	£22,800	£26,355	**£19,866**

Source: Homes England, AECOM Calculations

Affordable home ownership

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

Discounted Market Sale/ First Homes

C.25 Discounted market sale homes are affordable home ownership products which offer a discount of at least 20% on market values.

C.26 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.

C.27 The starting point for considering whether Discounted Market Sale/First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £257,920.

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

- Value of a new home (estimated NA new build entry-level) = £257,920;
- Discounted by 30% = £180,544;

- Purchase deposit at 10% of value = £18,054;
- Value of dwelling for mortgage purposes = £162,490;
- Divided by loan to income ratio of 3.5 = purchase threshold of £46,426.

C.29 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 20%, 40% and 50% discounted home. This would require an income threshold of £53,058, £39,793 and £33,161 respectively.

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

C.31 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost of £1,750 per sq. m[15]) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be a potential issue in Sporle with Palgrave with a 50% discounted home potentially being unviable to develop (50% discount home value would be £128,960).

C.32 Table C-3 shows the discount required for market homes to be affordable to the three income groups. The cost of a typical discounted market sale property/First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about these properties 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

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	45%	79%	58%
NA estimated new build entry-level house price	35%	75%	51%
NA entry-level house price	19%	69%	39%
LA median new build house price	46%	79%	59%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

C.33 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the

[15] 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/

provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

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

C.35 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

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

- A 25% equity share of £257,920 is £64,480;
- A 10% deposit of £6,448 is deducted, leaving a mortgage value of £58,032;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £16,581;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £193,440;
- The estimated annual rent at 2.5% of the unsold value is £4,836;
- This requires an income of £16,120 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £32,701 (£16,581 plus £16,120).

C.37 The same calculation is repeated for equity shares of 10%, 50% and 75% producing affordability thresholds of £25,976, £43,908 and £55,115 respectively.

C.38 The income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

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

Appendix D : Affordable Housing need and policy

Affordable Housing estimates

D.1 In Table D-1 AECOM has calculated, using PPG as a starting point,[16] an estimate of the total need for affordable rented housing in Sporle with Palgrave over the Neighbourhood Plan period. It should, however, be noted that the accuracy of the findings generated by the model is only as strong as the evidence available. However, given the test of proportionality for evidence supporting neighbourhood plans, and the need to be in conformity with Local Authority strategic policies, the calculations set out here are considered a reasonable basis for understanding and planning for neighbourhood-level affordable housing need.

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

Table D-1: Estimate of need for Affordable Housing for rent in Sporle with Palgrave

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current households in need	6.0	Households with a need to be rehoused that have a current residence in the NA.
1.2 Per annum	**0.3**	Step 1.1 divided by the plan period to produce an annualised figure.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	86.6	MHCLG 2018-based household projections for the LA between start and end of plan period. % increase applied to NA.
2.2 Proportion of new households unable to rent in the market	19.8%	(Steps 1.1 + 2.2.1 + 2.2.2) divided by number of households in NA.
2.2.1 Current number of social renters in NA	76.0	2021 Census social rented households
2.2.2 Number of private renters on housing benefits	15.6	Housing benefit caseload. Pro rata for NA.
2.3 New households unable to rent	17.1	Step 2.1 x Step 2.2.
2.4 Per annum	**0.8**	Step 2.3 divided by plan period.
STAGE 3: TURNOVER OF AFFORDABLE HOUSING		
3.1 Supply of social/affordable re-lets (including transfers) %	3.0%	Assumed proportion of stock re-let each year.

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

3.2 Supply of social/affordable re-lets (including transfers)	**2.3**	Step 3.1 x NA social rented stock (2.2.1).
NET SURPLUS OF RENTED UNITS PER ANNUM		
Overall surplus per annum	**-1.2**	Step 1.2 + Step 2.4 - Step 3.2
Overall surplus over the plan period	**-24.7**	(Step 1.1 + Step 2.3) - Step 3.2 * plan period

Source: AECOM model, using Census 2021, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock. Figures may not sum due to rounding.

D.3 Turning to Affordable Housing providing a route to home ownership, Table D-2 estimates the potential demand in Sporle with Palgrave. This model aims to estimate the number of households that might wish to own their own home but cannot afford to. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.

D.4 There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership. 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 Sporle with Palgrave

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	56.0	Census 2021 private rented households.
1.2 Percentage renters on housing benefit in LA	27.9%	% of renters in 2021 on Housing Benefit / Universal Credit with housing entitlement
1.3 Number of renters on housing benefits in the NA	15.6	Step 1.1 x Step 1.2.
1.4 Current need (households)	30.3	Current renters minus those on housing benefit and minus 25% assumed to rent by choice.[17]

[17] 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 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

1.5 Per annum	**1.4**	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	86.6	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	7.2%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	6.2	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	**0.3**	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	5.0	Number of shared ownership homes in the NA (Census 2021).
3.2 Supply - intermediate resales	**0.3**	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL PER ANNUM		
Overall shortfall per annum	**1.5**	(Step 1.5 + Step 2.4) - Step 3.2.
Overall shortfall over the plan period	**31.2**	(Step 1.4 + Step 2.3) - Step 3.2 * number of years to end of plan period

Source: AECOM model, using Census 2021, English Housing Survey 2018, MHCLG 2018 based household projections and net additions to affordable housing stock.

D.5 There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, though there are tools available to the Steering Group that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

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

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.

Affordable housing policy

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

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

Consideration	Local Evidence
A. **Evidence of need for Affordable Housing**: The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.	This HNA suggests that the NA has a sufficient stock of affordable rented housing. The NA may see demand for around 1.5 units of affordable home ownership per annum over the Neighbourhood Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes. The relationship between these figures suggests that 100% of Affordable Housing should offer a route to ownership. However, the need for Affordable Housing for rent and Affordable Housing for ownership are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options whilst the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the transition to ownership. This tenure mix would therefore not be appropriate for future Affordable Housing, especially when taking into consideration the current backlog of need for rented homes.
B. **Can Affordable Housing needs be met in full?** How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.	The emerging Local Plan requires 25% of qualifying developments to be affordable housing, i.e. proposals capable of delivering 10 or more units or with a site area of 0.5 hectares or more. As the NA has been allocated no new homes in the emerging Local Plan, the level of potential affordable housing would not be sufficient to meet need identified within this HNA. Therefore, some form of prioritisation will be required. It is recommended that

	affordable homes for rent should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority.
C. **Government policy (eg NPPF) requirements**: There is no required tenure mix set out in national policy (NPPF 2024) but local authorities are required to set out the minimum proportion of Social Rented housing needed in their areas as part of their Affordable Housing requirements.	Implicit prioritisation of Social Rented homes within Affordable Housing policy at the national level but local authorities have flexibility to set out the proportion needed in their areas. Local Plan tenure mix provides the starting point.
D. **Local Plan policy**:	Breckland Council's emerging Local Plan Policy HOU 24 states that the size, mix, type and tenure of affordable homes will meet the identified need in Breckland as established by the HEDNA. The HEDNA has assessed there to be a need of 90% social and affordable rent and 10% affordable home ownership. Breckland Council's adopted Local Plan Policy HOU 07 requires a tenure split of 70% rented to 30% ownership-related products.
E. **Viability**:	HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised 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 affordable home ownership properties.
F. **Funding**: The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.	The Sporle with Palgrave Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
G. **Existing tenure mix in Sporle with Palgrave**:	In 2021, 16.2% of households in Sporle with Palgrave were living in Affordable Housing (16.1% social rented and 1.1% shared ownership). This was similar to levels in

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.	Breckland and England, which had 14.8% and 18.1% of households living in Affordable Housing in 2021.
H. **Views of registered providers**:	It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage social/affordable rented homes in the NA. The funding arrangements available to housing associations will also influence rent levels.
I. Wider policy objectives:	The Sporle with Palgrave Steering Group may wish to take account of broader policy objectives for Sporle with Palgrave and/or the wider district. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.

Appendix E : Housing Needs Assessment Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

Affordable housing: 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) Social Rent: meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent; (b) the landlord is 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.

b) Other affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for 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).

c) 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.

d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

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

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard[18]

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

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

of overcrowding/ under occupation. A detailed definition of the standard is given in the Glossary of the EHS Household Report.

Co-living

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

Community-led developments (NPPF definition)

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

Community Right to Build Order

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. The NPPF 2024 specifically defines it as follows: An Order made by the local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a site specific development proposal or classes of development.

Concealed Families (Census definition)[19]

The 2021 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

[19] See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

and when the property is sold e.g. for £250,000 the lender receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy new build.

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

First Homes is another form of discounted market housing which will provide a discount of at least 30% on the price of new homes, introduced in 2021. These homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. 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 Need (NPPG 2024 definition)

Housing need is an unconstrained assessment of the minimum 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.

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 Requirement (NPPF 2024 Definition)

The housing requirement is the minimum number of homes that a plan seeks to provide during the plan period. Once local housing need has been assessed, as set out in this guidance, authorities should then make an assessment of the amount of new homes that can be provided in their area. This should be justified by evidence on land availability, constraints on development and any other relevant matters.

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 Neighbourhood 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. Lifetime Homes standards have been broadly wrapped up into the M4(2) optional building regulations standards which relate to accessibility and adaptability of dwellings.

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 Planning Authority

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

Local Plan

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

Lower Quartile

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

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years[20], 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

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

areas). As such, a home with one bedroom and one living room and one kitchen would be deemed overcrowded if three adults were living there.

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Rural Exception Sites

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

Shared Ownership

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

Sheltered Housing[21]

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

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) is a document prepared by one or more local planning authorities to establish realistic assumptions about the availability,

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

suitability and the likely economic viability of land to meet the identified need for housing over the Neighbourhood 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 (former NPPF 2012 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. SHMAs generally identify the scale and mix of housing and the range of tenures the local population likely to be needed over the Neighbourhood 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.

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